Daily Report

Latin America

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FBIS-LAT-94-175 *9 September 1994*

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Venezuelan President in Rio Urges Castro To Hold Elections

PY0809203994 Madrid EFE in Spanish 1545 GMT 8 Sep 94

[Text] Brasilia, 8 Sep (EFE)—Today in Brasilia, Venezuelan President Rafael Caldera urged his Cuban counterpart Fidel Castro to hold elections in his country and urged the U.S. Government to lift the economic embargo imposed on that Caribbean Island.

Caldera, 77, pointed out that during the Eighth Summit of the Rio Group he will simultaneously present his plan for elections in Cuba and the end of the U.S. embargo. The Rio Group is the main forum for Latin American discussions. The meeting will start tomorrow, 9 September, and end on 10 September.

Caldera said: "We will exhort President Fidel Castro and his collaborators in the government to declare themselves ready to begin an open process of offering his people the security of authentic elections."

The Venezuelan president urged Castro to demonstrate "willingness to respect all guarantees the democratic countries offer to those who participate in a constructive and honest political dialogue."

"Simultaneously, we hope peace between the United States and the Republic of Cuba will be reached under the terms established by international laws and as is currently practiced by coexisting civilized countries," he added.

Caldera today made public in the Brazilian capital the text of his plan to solve the Cuban issue. He will request the support of the chiefs of state who will participate in the Eighth Summit of the Rio Group.

Caldera's plan emphasizes the importance of establishing broad negotiation between Cuba and the United States and adds that "the lifting of the blockade on Cubans will be a direct and immediate consequence of this decision. Based on the lifting of this embargo a new stage of debates will begin in order to resolve other pending questions."

Caldera indicated that his proposal seeks to close a chapter of "inconceivable seriousness" for Latin America. He said he believes the Cuban situation is at "a critical stage" and with the threat of "an outcome of the crisis that can cause irreversible damage to the people" of the island.

He said: "The cold war has almost totally ended. We cannot allow it to continue in America following the reunification of Germany, the dismantling of the Soviet Union, the talks in the Near East, and the end of racial discrimination in South Africa."

"We do not consider it impossible for Cuba to have access to a fully democratic regime where all human rights are fully respected, the feasibility of a free opposition is ensured, and where honest elections are held with all guarantees to ensure an open voting process and absolute respect for the will of the people," Caldera explained.

Rafael Caldera asserted that it is possible to ensure a compromise that will allow simultaneous democratic elections in Cuba and the end of the economic embargo on the Caribbean island that the United States imposed for more than 30 years.

The Venezuelan president today concludes the second and last day of his official visit to Brasilia. This afternoon he will leave for Rio de Janeiro to attend the Rio Group Summit.

The summit, which will be coordinated by the host chief of state, Itamar Franco, will include the presidents of 12 Latin American countries and Trinidad and Tobago Prime Minister Patrick Manning, who represents the Caribbean Community (CARICOM).

Uruguay Firmly Opposes U.S. Intervention in Haiti

PY0809204294 Madrid EFE in Spanish 1844 GMT 8 Sep 94

[Text] Rio de Janeiro, 8 Sep (EFE)—Uruguayan Foreign Minister Sergio Abreu said today in Rio de Janeiro that if the United States invades Haiti, the Uruguayan Government would make a "clear, express, and public declaration of rejection, because it opposes armed intervention."

The remarks, which were made at one of the meetings prior to the Rio Group summit that is to be held here on 9 September, confirm the hypothesis that it will be very difficult to achieve consensus for a solution to the Haitian problem.

Abreu admitted that Haiti will be the most prickly topic to be discussed in Rio de Janeiro.

The foreign ministers will today listen to the arguments of U.S. Assistant Secretary for Latin American Affairs Alexander Watson, who will try to convince the 12 presidents of the Rio Group that armed intervention in Haiti is appropriate.

The Rio Group includes Argentina, Brazil, Bolivia, Colombia, Chile, Ecuador, Mexico Panama, Paraguay, Peru, Uruguay, and Venezuela.

Guatemala, representing Central America, and Trinidad and Tobago, representing the Caribbean, will participate in the summit as guests.

Haiti Intervention, Cuban Embargo Debated at Rio Meeting

PY0909005994 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 8 sep 94

[Text] The military intervention in Haiti and the ending of the economic embargo on Cuba were debated during

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the first part of the meeting of foreign ministers prior to the eighth Rio Group summit.

Brazilian Foreign Minister Celso Amorim said the inclusion of both subjects in the final document of the summit will be decided by the presidents tomorrow.

During the meeting, Amorim outlined the Brazilian position in favor of a rapid return of Haiti's legitimate government, and voiced concern about the nonintervention principle, because Brazil advocates the peaceful settlement of international controversies.

Amorim added that the inclusion of the Haitian and Cuban issues in the final Rio Group summit document will be decided by the presidents, who will begin meeting on 9 September. He said these issues are sensitive and important, and will have to reflect the position of those who govern, not only of the foreign ministers.

Amorim reiterated the Brazilian position against the isolation of Cuba, but noted that approval of a motion of support for Fidel Castro will depend on the continuation of the debates on the subject:

[Begin Amorim recording] Our policy has been clearly against Cuba's isolation. We believe our policy has yielded fruits, not only because other contries are becoming increasingly supportive of this position, but because we see very positive actions by the Cuban Govenment, like the decision by President Fidel Castro to sign the Tlatelolco Treaty. The decision, which was conveyed in a letter sent to President Itamar Franco, marked the significance of the open and frank manner in which we are behaving in this case. The Cuban Government has also extended an invitation—taking advantage of my presence in Cuba—for the United Nations High Commissioner for Human Rights to visit Cuba. [end recording]

Minister Amorim said he is convinced that Brazil has adopted the right position on Cuba, especially in promoting the reform and opening of Cuba.

After the first meeting of foreign ministers of the 14 Latin American countries attending the eighth Rio Group summit, Venezuelan Foreign Minister Miguel Rivas said—in connection with the military intervention in Haiti—that his country is opposed to any type of armed intervention in Latin America.

Chilean Foreign Minister Carlos Figueroa said that Chile will not join any force that will invade Haiti, adding that there is great expectation regarding the decisions that will be made after the eighth Rio Group conference.

In the morning, Brazilian Foreign Minister Celso Amorim and Antonio Correia, president of the Brazilian Postal and Telegraph Enterprise, presented a stamp marking the 500th anniversary of the signing of the Tordesillas Treaty, and the eighth Rio Group conference.

Rio Group foreign ministers today reiterated their governments' interest in negotiating joint political positions for the summit of the Americas, scheduled for December in the United States.

In Miami, the ministers want to debate issues like financing for development, access to advanced technology, and the elimination of commercial barriers.

This information was reported by Brazilian Foreign Minister Amorim upon conclusion of the first part of the meeting that he and his colleagues held at the Gloria Hotel today.

The Rio Group ministers also advocate the expansion of the United Nations Security Council, and—according to Amorim—matters like antiterrorist action and drug enforcement are also included in a document that will be submitted to the presidents, who will meet tomorrow and the day after tomorrow at the Gloria Hotel.

Amorim said, however, that the ministers' debates are only on a document, and that the decisions on the issues to be included in the Rio Group statement—to be signed on 10 September by 14 Latin American presidents—will be made by the presidents themselves.

Amorim said such decisions are very important, because they will produce effects that will have great, concrete impact on people's lives.

At the eighth Rio Group summit tomorrow, Venezuelan President Rafael Caldera will advocate the ending of the economic embargo on Cuba. Caldera believes this can be the first step toward a dialogue between the Cuban and U.S. governments.

The ending of the economic embargo on Cuba will be the most controversial topic at the Rio Group summit tomorrow, which will be attended by several heads of state.

President Itamar Franco also defends Cuba, despite the resistance by Argentine President Carlos Menem.

Caldera added that he will study Itamar Franco's invitation to join Mercosur [Common Market of the South], which admits membership of other countries.

In addition, Caldera said he is studying the Brazilian economic plan, which might be adopted in Venezuela, with due regard for the Venezuelan situation.

Brazil and Venezuela will also sign several agreements in the areas of highway and river transportation, iron and steel, and electric power.

Rio Group Ministers Disagree on U.S. Stand on Haiti

PY0909014594 Sao Paulo AGENCIA ESTADO in Portuguese 2320 GMT 8 Sep 94

[Quotation marks as received]

[Text] Rio de Janeiro, 8 Sep (AE)—Latin American countries intend to increase the number of their representatives at the United Nations Security Council. This will be one of the main topics of a statement to be approved on 10 September by the presidents attending

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the eighth Rio Group presidential summit. The summit will also issue a second unscheduled statement reaffirming the Latin American countries' position on the Haitian crisis. According to Itamaraty counselor Eduardo Farias, "this document will make no reference to a possible U.S. military intervention in Haiti. The document, he said, will demand the immediate stepping down of the military government led by General Raul Cedras, but will not endorse a possible military invasion in the region.

Argentine Foreign Minister Guido Di Tella criticized the current composition of the United Nations Security Council, which he considers obsolete. "The Council cannot reflect a situation that prevailed in the 1940's or 1950's, when there were only 50 countries in the United Nations, he said, while recalling that the organization now has 190 members. According to the foreign ministers of the 14 countries attending the Rio Group summit, the document to be sigend by the presidents will have four main topics: condemnation of terrorism, drug enforcement, access to advanced technology, and regional integration.

The presence of the U.S. Government representatives marked the third day of work of the Rio Group summit. Assistant Secretary of State for International Affairs Alexander Watson and Assistant Secretary of State for Political-Military Affairs Robert McNamara interrupted for 20 minutes the foreign ministers' meeting that was devoted to studying the summit documents. The U.S. representatives explained the position of interventionism that the United States intends to adopt in Haiti.

The foreign ministers agreed to the first report by the U.S. secretaries, condemning the military government of Gen Cedras. There was no consensus, however, on the second U.S. report, which reaffirmed the intention of carrying out a military occupation of Haiti if the current government insists on remaining in power, to the detriment of President-elect Jean Bertrand Aristide.

The most important moment of the Rio Group summit will be on 9 September, when the presidents will begin debating the terms of the statements drawn up by the foreign ministers during the first three days of the meeting. According to the agenda that has been released, all the presidents will have already arrived in Rio de Janeiro by the early morning hours of 9 September.

Rio Group To Propose Reforming of UN Security Council

PY0909021794 Madrid EFE in Spanish 1819 GMT 8 Sep 94

[Text] Rio de Janeiro, 8 Sep (EFE)--The Rio Group will issue a proposal for reforming the UN Security Council. This proposal will be included in the statement issued by the presidential summit, which will be held in Rio de Janeiro as of tomorrow.

Uruguayan Foreign Minister Sergio Abreu told EFE today that within the Rio Group—which is Latin America's main political consultation forum—there is a consensus that the Security Council should improve its decisionmaking mechanisms, in keeping with the new international situation.

"Based on this," he said, "the new composition of the organ should guarantee the presence of Latin America."

Abreu said Uruguay supports the presence of a Latin American country as a standing member of the Security Council, even though he explained that the reform depends on a United Nations debate that might change the current rules of the game.

"We are not talking about any particular Latin American country," Abreu said.

Argentina and Brazil, who are Rio Group members, are temporary Security Council members, while the United States, Russia, China, France, and Great Britain are standing or permanent members .

The foreign ministers of the Rio Group today analyzed the reform of UN organs. The ministers are preparing the documents that the heads of state will release on 10 September, the last day of the summit.

Thus far, Argentina, Brazil, Colombia, and Paraguay have submitted individual proposals, all of them with different nuances within the general consensus prevailing in the Rio Group, diplomatic sources linked to the summit have said.

The sources said, however, that—in diplomatic jargon—Brazilians have tacitly presented their country's candidacy to a possible position of new standing member of the Security Council. Argentines did the same.

The diplomatic subtlety of the Argentine proposal hints at a rejection of the Brazilian desire, the sources said.

Colombia supports the eventual incorporation of Japan and Germany as standing Security Council members, while the Paraguayan position has not yet been made known.

Colombia's Pardo Favors Money Laundering Convention

PY0909025294 Sao Paulo AGENCIA ESTADO in Portuguese 2040 GMT 8 Sep 94

[Text] Rio de Janeiro, 8 Sep (AE)—The Colombian Government will propose the signing of an international convention on drug money laundering to the other countries of the Americas. Colombian Foreign Minister Rodrigo Pardo, who is attending the eighth Rio Group summit at the Gloria Hotel in Rio de Janeiro, today defended the proposal.

Pardo said: "Drug enforcement efforts require international coordination." He said that the proposal will be made in December at the Summit of the Americas,

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which is being organized by the United States, and which will be attended by all countries of the Americas. He added: "The convention will be in the best interests of all countries affected by the drug problem, consumer countries included."

Through the signing of the convention, police forces from signatory countries will have easy access to banking operations by drug traffickers in other countries of the continent. At present, this type of investigation requires prior compliance with a number of diplomatic formalities. For instance, it takes months or even years for U.S. banks to disclose this type of data, because such disclosures require a formal FBI authorization and a U.S. court order.

Pardo said that drug enforcement is one of the priorities of Colombian President Ernesto Samper, who was inaugurated on 7 August. He noted, however, that "everyone must make an effort in this regard," thus urging countries considered to be major drug consumers, such as the United States, to make a greater effort.

On the domestic front, Colombia plans to expand punishments to drug related crimes. Samper promised, however, that he will maintain the "voluntary repentance" policy; that is, that of handing out a reduced sentence to traffickers who voluntarily turn themselves in. The drug issue will be included as a priority topic in the Rio Group declaration, which will be signed by the 14 heads of state who will be attending the meeting at the Gloria Hotel.

Argentina's Di Tella in Rio; Denies 'Raft People' Remarks

PY0909030994 Madrid EFE in Spanish 0051 GMT 9 Sep 94

[Text] Rio de Janeiro, 8 Sep (EFE)—Argentina's Foreign Minister Guido Di Tella said in Rio de Janeiro today that "it is totally absurd" to say that his country is studying the possibility of granting political asylum to "raft people" fleeing Cuba.

"No one has proposed that we do that and we never thought about it," Di Tella told EFE, thus denying reports published by Buenos Aires newspapers.

The minister said, however, that "in the best of cases, Argentina could receive some Cuban refugees, but only as a minimal symbolic gesture."

Di Tella insisted that Cuban President Fidel Castro "must reestablish democracy and implement a more or less sensible economic policy" before his country is readmitted into inter-American organizations.

He also characterized as "absurd" the economic blockade imposed by the United States on the island "because it is useless, and only serves as a measure allowing Castro to justify the suffering of the Cuban people."

Di Tella is attending the preparatory meetings for the eighth Rio Group summit, which will be held on 9 and 10 September in Rio de Janeiro. Twelve Latin American rulers and one Caribbean representative will attend the summit.

Chilean Officials in Rio Talk About Integration, Haiti

PY0909035294 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 9 Sep 94

[Excerpts] Rio Group presidents will ask the United Nations to incorporate one Latin American representative into the UN Security Council. Chile's President Eduardo Frei emphasized the need to strengthen the regional integration process upon arriving in Rio de Janeiro. [passage omitted]

[Begin Frei recording] We are convinced it will be difficult to compete in the larger markets without Latin American integration. Today Mercosur [Common Market of the South] and the Rio Group represent a very important potential for trade, services, and exchange. We expect to improve all instruments leading to a Latin American integration. Chile is present in the Asian and the European Union markets. It has contacts with NAFTA and Mercosur. Tomorrow we will start a stage of closer negotiation with the Mercosur to determine ways to create a free trade zone in Latin America. I think that will give our region a concrete possibility of having a strong presence in the world. We expect our goals will materialize in the next few years. It will give us a strong and firm voice in our trade relations with the great powers. [end recording] [passage omitted]

The concern to consolidate democracy will again be a central topic in this summit. Cuba and Haiti are issues that cannot be absent. The Rio Group has always opposed U.S. interventionist practices in Latin America. This is why the imminent U.S. invasion of Haiti merited a special and secret meeting during which two U.S. officials explained the reasons and details of that action. Latin American countries represented here have different positions on the subject. Brazil, for instance, strongly opposes any invasion. Argentina, meanwhile, supports it to the point of offering military forces to cooperate.

Chile, meanwhile, is mostly concerned with the terrible situation of human rights in that country.

[Begin Chilean Foreign Minister Carlos Figueroa recording] Chile's position with respect to Haiti is one of political support for the Security Council decision, no participation in the military operation authorized by the United Nations in Haiti, and participation in the process of Haiti's democratic reconstruction, particularly in reorganizing the police department and helping in the areas of education, health, and the econo[illegible]. [end recording]

In this 14-nation meeting, 13 countries will be represented by their presidents. There will be various bilateral meetings. For Chile, two of those meetings are very important. A meeting with Bolivia is already arranged.

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Bolivian Foreign Minister Antonio Aranibar categorically refused to speak about the meeting's agenda. He only recognized that the two countries will discuss economic issues. The other meeting is with Peru. It will be the first direct meeting between the two governments since Peruvian President Alberto Fujimori postponed the ratification of the Lima agreements. The Chilean foreign minister has confirmed the arrangement of a meeting with Peruvian Foreign Minister Efrain Goldenberg. The issue is delicate. The Peruvian minister told us that he would not speak to the press on this pending question with Chile. [passage omitted]

Central America To Present Proposals at Miami Summit

PA0809131494 Mexico City NOTIMEX in Spanish 0005 GMT 8 Sep 94

[By Enrique Mora]

[Text] San Jose, 7 Sep (NOTIMEX)—Central America will bring its own proposals to the Summit of the Americas to gain access to continental programs for sustainable development, according to a draft document prepared in this capital by regional governments.

The initiatives for the summit, scheduled for December in Miami, United States, were designed during a meeting of foreign ministers and members of the economic cabinets of the countries of the isthmus held early last week in San Jose.

The "Draft Proposal of Central American Initiatives" includes the ideas of area governments on continental security, the struggle against drug trafficking, establishment of a hemispheric free trade system, and environmental protection, among others.

The document, to which NOTIMEX has gained access, deems it necessary to introduce new issues for the agenda of the Miami summit because the U.S. proposals, as outlined in an unofficial document, reportedly focus on political issues.

The presidential meeting will be held at the invitation of U.S. President William Clinton. It will study development processes, respect for human rights, and the democratization of America.

At the San Jose meeting the foreign ministers concluded that "this imbalance (of the agenda) was detrimental to the discussion of human development and trade and investment issues."

In Miami, Central America will also request "a readjustment of the continental security system within the framework of the OAS."

The proposed change reportedly will "seek to ensure that it (that system) will more effectively meet the new political, economic, and social realities of the hemisphere," the document stated.

The governments of the isthmus state that "without neglecting military aspects inherent in the system" of continental security, it is necessary to focus on other areas, like prevention of conflicts among states and strengthening of democratic institutions.

They add that hemispheric security must include as regional problems "the persistence of poverty, serious deterioration of the environment, drug trafficking, refugees, illegal migration, and gunrunning, among other issues."

Central America will argue in Miami that in view of the progress achieved in respecting and promoting human rights, "which is a basic aspect of democratic processes, it is necessary to secure financial assistance" to promote development in these nations.

Point 10 of the draft proposal points out the need to "voice Central American interest in establishing a hemispheric free zone based on ongoing regional processes."

It also mentions the importance of "designing and promoting a technical-financial assistance program to train the region for its foreign trade negotiation processes."

The San Jose agreements underscore the need to establish a joint struggle against drug trafficking and organized crime. To this end, they called for the creation of a hemispheric mechanism.

Central America Will Seek NAFTA Membership at Miami Summit

PA0809131694 Panama City ACAN in Spanish 2122 GMT 6 Sep 94

[By Juan Ramon Rojas]

[Text] San Jose, 6 Sep (ACAN-EFE)—Central American leaders will ask that the benefits of the Caribbean Basin Initiative (CBI), which favors trade with the United States, stop being a "concession" and become a "right," thus making those countries members of the North American Free Trade Agreement. This proposal was prepared by the Central American foreign ministers and economic team chiefs who ended a two-day meeting in Costa Rica today. The proposal will be submitted at the Summit of the Americas to be held in Miami next December.

The CBI, established during the first term of U.S. President Ronald Reagan in 1982, is a concession that allows the tax-free entry of a long list of area products to the U.S. market.

At the end of the meeting, Costa Rican Foreign Minister Fernando Naranjo asserted that Central America hopes to have the advantages "obtained as a concession with the CBI to change and become a right" of the isthmian countries, thus automatically making them members of NAFTA. Furthermore, regional officials will ask that trade benefits be afforded in the three countries already in NAFTA (the United States, Mexico, and Canada), not just the U.S. market, the way it is now.

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At a joint news conference after the meeting, Naranjo warned that the "current status of the CBI must change from a concession to a right." The justification for this petition is that Central America, unlike any other region in the continent, "depends a great deal on its commercial relations" with North America, especially with the United States and Mexico and to a lesser degree with Canada. "That is why we consider that Central America must fight for a tie that links it to NAFTA," he asserted.

The region's automatic entry to NAFTA would be a temporary measure. Over the a span of several years—the officials refused to specify a number—countries in the region will have to comply with the necessary conditions to become permanent members of NAFTA.

Naranjo stated that they will immediately begin contacts with Mexican, U.S., and Canadian authorities to present their position and will ask other regions in the world for their support. "We are going to explain why Central America aspires to a different kind of relations," he emphasized.

Guatemalan Foreign Minister Maritza Ruiz said they will ask the Rio Group for its support for this initiative at the meeting scheduled in Brazil this Saturday and Sunday. The Central American initiative is included in a new development strategy called Alliance for a Sustainable Development. "We hope to have the support of the Rio Group," which is comprised of Mexico, Panama, and the South American countries, Ruiz stated. She will represent Central America at the Rio Group's upcoming forum.

Naranjo said that according to the mechanisms on entering NAFTA that have been studied, the countries will be able to become permanent members of NAFTA as they comply with the conditions imposed by the North American countries. NAFTA has two conditions for partners: countries that enter through regular negotiations, such as the ones being furthered by Chile and Argentina; and countries with historic, cultural, and commercial ties, as in Central America's case.

The Costa Rican foreign minister insisted that the goal for the year 2000 is for the continent "from Alaska to the Patagonia" be integrated into one commercial free zone, as proposed by President George Bush in the 1990 Initiative for the Americas.

All the foreign ministers confirmed that negotiations with NAFTA countries will continue to be pursued jointly.

Panamanian Foreign Minister Gabriel Lewis Galindo, whose government will not participate in the commercial integration of the isthmus, was not present at the closing of the meeting. He only attended the opening yesterday; a few hours later he returned to his country.

Paraguay, Brazil Sign Agreements on Lumber, Autos

PY0209234394 Asuncion NOTICIAS in Spanish 2 Sep 94 p 26

[Article by special correspondents Nelson Avezada and Tomas Acosta in Brazil]

[Text] Paraguayan President Juan Carlos Wasmosy and Brazilian President Itamar Franco yesterday signed here in Brasilia three agreements involving a mutual commitment to control and return illegal vehicles. According to this commitment, the two signatory countries commit themselves to stop this illegal practice.

Another two agreements were also legally implemented. One agreement involves conservation of water fauna and resources in border rivers. The other involves fighting the illegal lumber trade. The two presidents also signed a memorandum of understanding establishing operation procedures on the Friendship Bridge [over the Parana River].

The agreements were signed at Planalto Palace [in Brasilia]. With regard to the agreement on car trafficking, it establishes that an illegal car from either of the two contracting sides will be delivered to its legal owner following the presentation of the documents attesting to its ownership.

A petition to return illegal cars will be formalized through the presentation of the ownership documents, following the bureaucratic paperwork on returning the cars, both in Paraguay and in Brazil.

Lumber Trafficking

Paraguay also signed an agreement fighting the illegal lumber trade to Brazil through our borders. This initiative has been prompted by our country's rapid deforestation as a consequence of a massive and uncontrolled transportation of logs removed from our jungle to Brazil.

Another agreement establishing operational procedures on the Friendship Bridge was also signed. The agreement notes that it is necessary to prevent risks that could affect the structure of the international bridge linking Foz do Iguacu with Ciudad del Este. The agreement also establishes guidelines for the traffic of vehicles and pedestrians on the bridge, and notes the necessity of using in rational manner the benefits yielded by the operation of the binational bridge.

President Wasmosy was met by Brazilian President Itamar Franco, and they immediately signed the aforementioned agreements. In Wasmosy's opinion the agreements will help to fight the various types of corruption prevailing on our borders.

President Franco decorated his counterpart, Juan Carlos Wasmosy, with the National Order of the Southern Cross, and the Paraguayan president returned the courtesy by decorating the Brazilian president with the National Order of Merit in the Marshall Francisco Solano Lopez Grand Collar degree.

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Cuba

Newscast Reports Talks With U.S. To Continue; Alarcon Cited

PA0909134994 Havana Radio Havana Cuba in Spanish 1300 GMT 9 Sep 94

[From the "Morning Information Review" newscast]

[Text] Cuba and the United States will meet in New York today to continue the immigration talks that began on 1 September. Ricardo Alarcon, president of the Cuban parliament and head of his country's delegation to the talks, returned to New York last night after a quick trip to Havana to report to his government on the progress of the talks.

Alarcon said in Havana, shortly before leaving for New York, the two parties have made an effort of rapprochement in the talks. Alarcon said, without wishing to seem too optimistic, this effort could forecast an eventual agreement, but he did say the talks are very complex due to the differences, outlooks, and targets of the issue being discussed. He added, however, the fact that two governments that do not have diplomatic relations can sit down, talk, and negotiate on an equal basis is something positive.

Alarcon: Position at U.S. Talks 'Tremendously Flexible'

FL0809201294 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Sep 94

[Interview with Ricardo Alarcon de Quesada, head of the Cuban delegation to the U.S.-Cuban talks, by Mario Munoz, Radio Havana Cuba correspondent, in Havana on 7 September; from the "National Radio News"—recorded]

[Text] [Alarcon] The talks have been conducted with a good deal of seriousness, professionalism, and mutual respect. Of course, they have been tense and complex. It is a difficult issue, and the points of view are quite different. The discussion began from distant perspectives; therefore, it is not easy to find a common ground, which should be the basis of any accord.

[Munoz] U.S. news agencies are talking about the possiblity of a limited immigration agreement.

[Alarcon] Yes. Since the United States is limiting this discussion to immigration issues only, we can only expect agreements to be reached on this matter.

[Munoz] It was also said that today's negotiations were pretty good and that other more serious issues would be discussed. That is what the U.S. side is saying. Does this mean that the blockade issue has been put aside?

[Alarcon] The blockade, as such, has not come up, since the U.S. side refuses to discuss the matter. The fact that the blockade is closely related to the immigration issue is a problem. It is the cause of the problem and, thus, hardly can be separated. For example, let's take the measures President Clinton adopted on 20 August. One day, he practically forbids Cubans from entering, sending them to Guantanamo Naval Base and other places; the next day, he takes steps to forbid flights to Cuba and to suspend remittances from Cubans in the United States to their relatives here. These measures imply, on the one hand, tightening the blockade and, on the other, complicating relations among Cubans and generating tendencies toward illegal emigration.

On the one hand, they have created a tense situation within the Cuban community since tens of thousands of Cubans in Miami are being affected by Mas Canosa, who recommended brutal and hard measures like these. In other words, these topics are inevitably related.

Cuba's position has always been that the root of the problem must be discussed if we permanently, definitely, and truly want to solve problems. On the other hand, we have always been willing to discuss any pertinent issue, any issue of bilateral relations between Cuba and the United States, on the basis of equality. In line with this position, logically we had to agree to participate in these talks even though they would be limited to the immigration issues. Yet, immigration is unavoidably tied to all this problematically. I am not saying this: Editorials in the most influential U.S. newspapers and important U.S. Senate and House figures are saying this. The opinion that the only way to solve problems between the two nations is to lift the blockade and to sit down and discuss every problem broadly is gaining acceptance every day in the United States.

[Munoz] Where do we go from here?

[Alarcon] I trust that we can reach an acceptable agreement as a result of the talks on immigration issues. I am convinced that in today's climate, in which the blockade policy is broadly criticized and questioned, even partial progress in one area can strengthen the school of thought advocating dialogue and understanding between both nations.

[Munoz] As head of the Cuban delegation, you have ample power to negotiate with the United States. Does your sudden trip to Havana mean that there are topics or proposals of greater significance that should be discussed here?

[Alarcon] It means that...[pauses] The U.S. secretary of state himself said it this afternoon, that there is a point in negotiations when it is good to hold direct, personal contacts. This is the best way of explaining, understanding, and seeing the nuances of the situation. That is the phase in which we are now. As he mentioned, it shows the seriousness with which the Cuban side is handling the talks.

[Munoz] Some news agencies have described Cuba as flexible during the negotiations. Is that true?

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[Alarcon] Cuba has been tremendously flexible from the very beginning: Agreeing to discuss this part of the problem, this particular aspect of the problem, between Cuba and the United States even though the U.S. side has refused to discuss the main problem—the blockade and the hostile U.S. policy on Cuba—is an example of our flexibility. That is as flexible as anyone can be.

We are sitting down to discuss emigration, a real part of the problem, despite our conviction that the blockade is the main problem and despite the other side not even being willing to discuss the blockade. That is the greatest example of flexibility.

This also marks the complexity of these negotiations. It is not easy to agree on something when the other side is not even willing to discuss the most important thing related to that something.

[Munoz] How about meetings on the sidelines of the talks?

[Alarcon] I have met some U.S. legislators and academic and political figures and many colleagues at U.S. news agencies.

[Munoz] How do you feel about the talks and the Cuban position?

[Alarcon] I am very impressed by the fact that I have not found anoyone, not even in media circles, who does not recognize the need for U.S. policy to change and the need to rectify and change relations based on respect for the reality of the Revolution.

Notes 'Real Possibilities' of Agreement

PA0909000594 Havana PRENSA LATINA in Spanish 2249 GMT 8 Sep 94

[By Javier Rodriguez]

[Text] Havana, 8 Sep (PL)— Ricardo Alarcon, chief of the Cuban delegation to the negotiations with the United States, admitted today that there are real possibilities of reaching an agreement soon that could even include the situation of the Cubans in Guantanamo and Panama.

In an interview with PRENSA LATINA in this capital shortly before returning to New York, where the talks will resume tomorrow, Alarcon said the two sides have made an effort toward rapprochement, which allows him to foresee, without being too optimistic, that an eventual agreement could be reached.

He also recognized that it has been a complicated negotiations process because of the differences in outlook and opinion with which the sides involved initiated the meetings, but he described the meetings as extremely serious and respectful.

Referring to the thousands of Cuban migrants staying at the Guantanamo Naval Base and those that are being sent to Panama and other places, Alarcon said "that is one aspect of the topics we are currently discussing and that will probably be reflected in the agreement, which we will eventually reach."

Alarcon, who is also president of the Cuban National Assembly, said that if the two countries are able to reach a migration agreement now, despite the U.S. economic and trade blockade against the island, an important step will have been taken in the normalization of a part of the bilateral ties.

This, in a certain way, could be seen as a step that could lead to a fuller normalization in relations. That would be my desire, although it would not be legitimate for me to describe the conclusion of the talks in that way as they include others besides me, Alarcon said.

He added that if two governments without established diplomatic relations are able to meet, to discuss, and to negotiate as equals, that is, in itself, a positive step.

He also talked about the recent statements made by the leaders of the foreign relations commissions of both houses of Congress, Senator Claiborne Pell and Representative Lee Hamilton, who asked for the suspension of the blockade on Cuba and a change in the U.S. policy toward the Caribbean nation.

Actually, they have come out strongly several times in that sense. Over the past weeks, important personalities of the Senate and House are coming out increasingly in favor of an expanded dialogue and of ending the blockade, he stated.

Alarcon said that more conservative politicians and all important newspapers in the United States insist on the same position. He added that, other than Representative Torricelli and the three congressmen of Cuban origin, there is nobody who is in favor of maintaining the current policy of the U.S. Administration.

There is a very vast consensus that agrees on the necessity, in keeping with the real interests of the United States, of abandoning the absurd U.S. policy regarding Cuba, he stated.

Responding to a question, Alarcon spoke of the existing desperation among the most conservative groups of the Cuban community in Miami, who have again resorted to engaging in terrorism against those who do not share their views.

They threaten not only Cubans in Miami, as was demonstrated by the recent attack on the magazine REPLICA, but also U.S. legislators, because Representatives Charles Rangel and Jose Serrano had to request protection from the FBI for themselves and their families, he said.

He added, however, that when one sees the reaction of the press, the politicians, and the results of the polls it can be confirmed that the ultrarightists truly do not exercise any important influence, not even in Miami, which is why they have to resort to terrorism.

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He also explained that there is uneasiness among the Cuban residents there over the measures adopted by the U.S. Government on 20 August, making it more difficult for them to communicate with relatives or to visit the country.

This unrest grows to the same extent that they suffer the consequences of a policy that only benefits the fascist groups that exist in Miami, he concluded.

Returns to New York

PA0909012294 Havana PRENSA LATINA in Spanish 0024 GMT 9 Sep 94

[Text] United Nations, 8 Sep (PL)—Ricardo Alarcon, president of the Cuban parliament and head of his country's delegation to the current talks with the United States, returned to New York on 8 September after making a quick trip to Havana for consultations.

Alarcon was greeted by Fernando Remirez de Estenoz, permanent representative of Cuba to the United Nations and first deputy foreign minister, as well as by other members of the Cuban delegation to the talks who stayed here.

On 7 September, after a brief meeting with Michael Skol, head of the U.S. negotiators and deputy assistant secretary of state for inter-American affairs, the parties deemed that it was advisable to consult with thier respective leaders.

Alarcon headed for Havana in the afternoon and Skol for Washington.

Cuban-U.S. talks started on 1 September at the U.S. Permanent Mission at the United Nations, and since then, the location of the ensuing rounds of talks has alternated between the headquarters of the two countries' missions.

The time and place for the next round of negotiations has not yet been officially announced.

Ambassador to Colombia Cited on Migration Talks With U.S.

PA0509172294 Santa Fe de Bogota EL TIEMPO in Spanish 31 Aug 94 p 10A

[Report on interview with Cuban Ambassador to Colombia Jesus Martinez by an unidentified EL TIEMPO reporter on 26 August; place not given]

[Text] Last Friday, one day before the United States and Cuba agreed to hold talks on immigration, Cuban Ambassador to Colombia Jesus Martinez told EL TIEMPO that the only way to resolve the current crisis between his country and the United States is through negotiations.

"The other option would be to postpone the crisis, and in five or 10 years we would be facing the same situation," according to the diplomat who has been stationed in Santa Fe de Bogota since the two nations reestablished diplomatic relations.

Nevertheless, the ambassador said, "The conversations that start Thursday in New York, as they are currently being presented, will not resolve the problem, because they do not get to the root of the problem."

[EL TIEMPO] Is Cuba seeking economic opening from the United States in exchange for ending the exodus?

[Martinez] We believe that the blockade must be lifted in order to improve conditions on the island and to attack the main causes of the current problem. In the wake of the fall of the Soviet bloc, our foreign trade, of which 80 percent had been conducted with East Europe, is now being conducted primarily with Latin America and the Caribbean. Now that we have done this, there is an important obstacle that must be overcome—namely, the U.S. blockade.

The reasons behind any exodus from an underdeveloped nation to a developed nation are economic in nature. This is a global problem that has nothing to do with the island's particular system. Now, in the case of Cuba, there is a specific factor that encourages this—U.S. policy toward Cuba.

We are in the process of improving the standard of living in our country. If the United States courageously accepts the current situation and views it from a strategic, long-term position, it will sit down and discuss these issues with us.

If it does not do this and instead adopts measures that are both rash and short-sighted, it will create other problems, such as the accumulation of Cubans in Guantanamo.

[EL TIEMPO] What would Cuba be willing to yield in negotiations with the United States?

[Martinez] Cuba has taken no aggressive measures against the United States, and therefore it has nothing to yield. Cuba is not taking anything away from the United States.

[EL TIEMPO] What will be discussed then?

[Martinez] The dialogue should take place in terms of two equally sovereign and independent nations discussing an issue that should be discussed—Cuban-U.S. relations. The goal would be for the two nations that are 90 miles apart to coexist in a relationship that is appropriate for neighbors.

What is occurring today is the result of an aggressive U.S. policy against my country that has several distinct facets.

The main aspect of that policy is a blockade whose goal is to isolate Cuba. Another factor is U.S. immigration policies that stimulate illegal migration. Cubans are the

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only people who, when they reach the United States illegally, are received as heroes. In addition, more than 1,000 hours of radio broadcasts are illegally beamed to Cuba, encouraging Cubans to rebel against their government. Last, there is a U.S. military base on Cuban territory—the base at Guantanamo—and this base is there against the will of the Cuban people.

The blockade is the main cause of the economic crisis we are currently facing. Other causes, such as the preferential treatment for Cubans and the contents of the illegal radio broadcasts bombarding Cuba, make the people look toward the United States with hopes of improving their lives, particularly in terms of economic conditions.

[EL TIEMPO] There are some who believe that the greatest threat to the current Cuban Government would be for the U.S. to end the embargo. In Eastern Europe, such a thing happened; economic incentives and an open policy were the strongest weapons in fostering reforms in their political system.

[Martinez] I simply say that I challenge the United States to try an experiment: Remove the blockade. It has tried all kinds of variations of aggression against Cuba, but none has been able to topple us. I would like the United States to now apply a variation of friendship—specifically, lift the blockade, offer financial aid, and be a good neighbor.

PRENSA LATINA Reports Pro-Cuban Demonstration in New York

PA0909031394 Havana PRENSA LATINA in Spanish 2334 GMT 8 Sep 94

[Text] United Nations, 8 Sep (PL)—A huge demonstration took place in this city today, prior to the eventual resumption of the talks between Cuba and the United States in their respective permanent missions at the United Nations.

Hundreds of people, mostly members of the Cuban-American community, gathered in Times Square, in the heart of New York, to express their support for Cuba and to demand the lifting of the blockade on the island, as well as to demand the restoration of relations between the two countries.

"Let us stop the U.S. war against Cuba," "U.S. out of Guantanamo," and "Down with the prohibition to travel to Cuba," were some of the slogans shouted by the demonstrators, who rejected the new restrictive measures announced by President William Clinton on 19 August.

The demonstration was convened by the following organizations: Casa de las Americas, International Peace for Cuba Appeal, U.S.- Cuba Friendship, U.S.-Cuba Labor Exchange, Cuban-American Committee for Peace, Cuba Information Project, Communist Party USA, Workers World Party, Dominican Friends of Cuba, Puerto Rican Assertion Committee [Comite de Afirmacion Puertorriquena], and the Caamanist Revolutionary Union [Union Revolucionaria Caamanista], among others.

A leaflet distributed by these organizations stated that the Cuban migration crisis has been created by Washington by refusing to comply with the 1984 immigration agreements.

He adds that this is the reason why the Cubans are forced to attempt to enter the United States illegally.

"It is up to us, it states, those of us who support everyone's right to peace, free self-determination, and independence to demand that the United States end its provocations against Cuba."

It has also been reported that Ricardo Alarcon, president of the Cuban National Assembly and chief of the Cuban delegation to the talks, which began on 1 September, is expected back in New York today so the talks could resume tomorrow.

After a meeting yesterday with the U.S. delegation, headed by Michael Skol, deputy assistant secretary of state for inter-American affairs, Alarcon returned to Havana to consult with his country's leadership. His counterpart, meanwhile, traveled to Washington for the same purpose.

'Expert' Assesses U.S. Policy on Havana

PA0809143194 Havana PRENSA LATINA in Spanish 1051 GMT 8 Sep 94

["Exclusive" article by PRENSA LATINA contributor Rafael Hernandez, "expert" at the Cuban Center of Studies on America: "Do We Understand U.S. Policy?"]

[Text] In Dr. Henry Kissinger's most recent book "Diplomacy," he mentions Cuba 18 times, and most of these references concern the October 1962 crisis. The rest of the references deal with Angola and, in general, matters related to the USSR and the Cold War. Strangely enough, not once in the 900 pages of this study on U.S. foreign policy does the issue of the "Cuban community" come up. It appears that for Kissinger this does not constitute an essential factor when assessing U.S. behavior with regard to the revolution. Nevertheless, Cuba always appears framed—even before 1959—within the rationale of geopolitics; in other words, those things the United States perceives as its national security interests.

The conduct of President William Clinton's administration with regard to the Cuban migration crisis displayed the reasons behind U.S. policy. The first can be stated as follows: Despite the end of the Cold War, Cuba continues to be perceived as a matter of national security.

In effect, within the context of Washington's overall foreign policy, the Clinton administration has, up until now, paid little attention to Cuba. The political conflicts, civil wars, and problems of nuclear arms control in

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Russia and some former Soviet republics; the hostility toward Iran; the Israeli-Palestinian negotiations; the transition in South Africa; the fiasco in Somalia, the war in Bosnia; NATO's restructuring strategy; and, in general, the challenges posed by the Pacific Rim and the NAFTA accord with Mexico and Canada... not to mention growing domestic problems—all of these things have been placed ahead of Cuba on the White House's agenda.

Several weeks before Clinton's inauguration, I asked several of the incoming administration's candidates for assistant under secretary of state for Latin American affairs what was the top priority for the White House in terms of the Caribbean. All of them replied without hesitation: "Haiti."

They said: "The policy toward Cuba is not going to change, unless the Cuba Government caves in on U.S. demands concerning its domestic policy. Cuba itself is not seen as a urgent problem, although, if a crisis erupts on the island, the situation would change."

I see now that those who say crises set the pace for U.S. policies are right. The United States may be witnessing and even contributing to the onset of a crisis, but it reacts only after the crisis explodes. It is amazing to see how the world's most powerful nation can act so strangely. Perhaps this is the effect of not having global limitations and of pursuing too many interests at one time. In any event, the Cuban migration crisis has revealed that political decisions are only made after a national security problem is perceived—in this case, a threat, as they call it, to the southern United States—and this is what has ultimately led to the talks in New York.

The second reason we perceive is that in a crisis situation, U.S. foreign and domestic interests take precedence over the influence of Cuban community groups.

The interception of Cuban rafters and their subsequent confinement at Guantanamo run counter to the interests of the Cuban-American elite. The commitment reached with Mas Canosa and some of his people proves the U.S. Administration is aware of this fact. It is trying to secure the backing of a sector of this elite in exchange, obviously, for "appearing in a photograph" with Clinton and for some other promises typical of cheap, patronizing U.S. politicking. This is why community activists appear to be divided. The special status accorded to Cubans, their "superior" prestige in comparison to other immigrants, the "golden exile" myth, and other taken-for-granted verities are ever-present ingredients of U.S. Cuban policy. The public profile of some congressmen, radio stations, influential newspapers, and prosperous businessmen is based a great deal on this special Cuban status. In turn, it is not surprising that many Cubans disagree with the Guantanamo scenario, which places Cubans at the level of Haitians.

I am one who believes that polls only partially portray public opinion, especially in places such as Miami or Union City, and I do not think it is necessary to cite any poll to know that the majority of lower-class Cuban-Americans cannot agree with the ban on sending money and goods to their relatives in Cuba who are suffering the hardships of the special period, or with the virtual ban on travel to the island. Although this silent majority does not speak out and is not taken into account by the powerful elite, it constitutes the authentic Cuban emigrant community.

I am certain the Clinton administration knows all of this and is consciously placing foreign policy and election interests in Florida—in November, midterm elections are scheduled—ahead of its alleged empathy with the Cuban community.

Nevertheless, if one would have thought that the Clinton administration had indeed satisfied the Cuban-American National Foundation (FNCA) and its henchmen, the opening of the New York talks—no matter what their results might be—counters the interests of this group. In other words, Clinton has just done to the FNCA the same thing Ronald Reagan did when he signed an immigration agreement in 1984, or when he sat to negotiate the southeast African conflict with Cuba—exactly the opposite to what the FNCA wanted. It is not that the influence of the community's elite is insignificant, but, when facing national security interests that stand out amid a crisis like the current one, the hierarchy of concerns—as well as who uses whom—is, in the end, dictated by the imperial state.

If it is true that U.S. policies react to crises—and in Cuba's case, this has been historically proven—the current emergency could elicit a broader reevaluation of these policies. The Cuban migration crisis has been able to stir up powerful media reaction in favor of such a reevaluation; here, naturally, I am not referring to the media in Miami. Ironically, however, this unique U.S. Government rationalization to revamp its policies whenever there is a crisis could cause these same changes to disappear once the crisis diminishes. In my opinion, the United States decided to sit down and negotiate with Cuba, as it has on other occasions, because it had no other option. The New York talks implicitly connote that the Guantanamo gambit has been a failure, but this should come as a surprise to no one.

There are still numerous questions to be answered. Will the Clinton administration not only dare to propose a mass Cuban repatriation, but will it actually execute it? In terms of the Cubans at Guantanamo who are held militarily and legally under U.S. control, will the 1966 Cuban Adjustment Act survive its virtual suspension by the administration? Will the United States ease its migration policies to deter the majority of migrants from jumping into the sea to reach the United States? What opportunities will the administration extend to those powerful Cuban community groups in terms of reinserting those migrants who are not claimed by their relatives?

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As on other occasions, what they tend to call "windows of opportunities" are now available. The ball is now in their court, and now we have to try to understand how they are going to play it.

Spanish Foreign Minister, Robaina Meet

PA0909013494 Havana PRENSA LATINA in Spanish 2212 GMT 8 Sep 94

[By Alfredo G. Pierrat]

[Text] Madrid, 8 Sep (PL)—Spanish Prime Minister Felipe Gonzalez, leader of the Spanish Socialist Workers Party (PSOE), received Cuban Foreign Minister Roberto Robaina today in a meeting described by the Cuban foreign minister as sincere and serious.

The meeting, which was held at Moncloa Palace, seat of the Spanish Government, was one of the high points of the official visit initiated by Robaina to Spain on Tuesday, the first one by a Cuban foreign minister in a little over a decade.

Robaina told PRENSA LATINA that Gonzalez was interested in learning about the Caribbean country's current situation and gave the foreign minister his opinion on the development of events on the island.

I believe no one ever doubted Spain's position of condemning the blockade. I believe Spain's concerns are understandable. Its concerns are not new, and it is not the first time that Felipe Gonzalez has talked about them, Robaina said.

The Cuban foreign minister said that after this meeting, there was a greater mutual understanding, and the Spanish Government knows what we are experiencing. He said that "above all things, the fundamental part of the meeting was to bring Spain up to date with the situation in Cuba."

According to Robaina, the meeting was very respectful, and Gonzalez, as always, indicated to Cuba, to the country, and especially to President Fidel Castro that regardless of the circumstances and of the different viewpoints, which are well known by both sides, the island can continue to count on Spain.

The foreign minister, who is also a member of the Politburo of the Cuban Communist Party (PCC) later met with Julio Anguita, general coordinator of United Left (IU), the third political force in Spain, and secretary general of the Spanish Communist Party (PCE).

As for this meeting, which was held at the Cuban Embassy in this capital, Robaina said it was "extremely productive and useful, a reflection of the historical relations that exist between IU and Cuba."

Anguita said the meetings held between IU and Cuban leaders are always cordial "because they are based on an identity, on a coincidence of opinions in many things, but because of these terrible and difficult times, the coincidences are 3,000 percent stronger."

"The fundamental problem, in the name of universal dignity, of international law, of honesty, of self-respect, is blockade or no blockade, and everything that is not aimed at resolving this matter is merely entertaining the audience with bagpipes," the IU coordinator said.

The IU believes—he pointed out—the problem is blockade or no blockade, "and the rest are stories seeking to make problems more confusing."

I believe U.S. actions (regarding Cuba) constitute nothing more than piracy against international law and, therefore, as long as someone violates international law, that will remain the fundamental problem and "the rest is nonsense" he added in his usual manner.

During his brief interview with a group of journalists following the meeting with Robaina, Anguita was asked about alleged requests made by the Spanish Government to Robaina to implement economic and political changes in Cuba as a requirement to maintain cooperation.

To this effect, Anguita said that Felipe Gonzalez "rather than toasting to the sun—an action that flagrantly reveals his incapacity as a statesman—should ask Mr. Clinton when he will lift the blockade against Cuba."

Following the meeting with Julio Anguita, Robaina met with Jose Luis Dicenta, state secretary for International and Ibero-Amercian Cooperation, and visited the headquarters of the Spanish Agency for International Cooperation—a branch of the Foreign Ministry.

Today, Robaina began his agenda by meeting with over 50 foreign correspondents accredited here. During this meeting, which was organized by the International Press Club, Robaina answered some 20 questions on various topics.

Robaina discussed such topics as the talks being held in New York with the United States, as well as the changes recently implemented and those planned in the short and long run. He also discussed the economic opening, relations with Latin America and the East European countries, and Cuba's position vis-a-vis Haiti, among others.

Meanwhile, Robaina also talked about the meetings held here yesterday and today with three representatives of the Cuban emigres living in the United States. Robaina agreed to meet with these representatives at the request of the Spanish authorities.

He explained that these talks show the continuity of the process begun at "The Nation and Emigration" Conference, held in Havana last April.

As a continuation of the dialogue that was begun then with representatives of the Cuban community abroad—he reiterated, we held these meetings here, "amid an atmosphere of frankness, sincerity, mutual respect, and

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certainty in the belief that nothing is more important to the country than condemning and saving ourselves from that blockade."

"After that is resolved, we could work on many other aspects," Robaina noted.

Tomorrow, on the fourth day of his official visit to Spain, Robaina and the Cuban delegation will visit Las Palmas—captial of of Grand Canary Island—where, among other activities, he will meet with Manuel Hermoso, the archipelago's government head.

More on Meeting, Miami Groups

PA0909023294 Havana Radio Havana Cuba in Spanish 0000 GMT 9 Sep 94

[From the "Evening Information Review" newscast]

[Text] The 45-minute meeting between Spanish Prime Minister Felipe Gonzalez and Foreign Minister Roberto Robaina took place in a a climate of cordiality. Robaina, who is on an official visit to Spain, has met with other Spanish political personalities. Although there was no word on the outcome of Thursday's meeting at La Moncloa Palace in Madrid, the Cuban official termed as positive the meeting with Gonzalez, with whom he discussed bilateral relations. Earlier, Robaina met with approximately 60 journalists working in Madrid and Spanish press representatives, who were interested in learning about the current situation on the island and the process of negotiations taking place in New York City. Dispatches by our special envoy [not further identified] stated that at the journalists' request, Robaina met with Cuban Change President Eloy Gutierrez Menoyo and Ramon Cernuda of the Cuban Human Rights Committee. The two meetings were private, although these persons are known to be interested in helping solve Cuba's problems. The two Miami-based groups have spoken out in favor of lifting the blockade the Unites States imposed on Cuba over 30 years ago.

Spanish Minister's Opposition to U.S. Blockade Noted

FL0709201794 Havana Radio Rebelde Network in Spanish 1700 GMT 7 Sep 94

[Report by correspondent Barbara Betancourt, in Spain; from the "National Radio News"]

[Text] Cuban Foreign Minister Roberto Robaina and Spanish Foreign Minister Javier Solana met with their respective delegations after meeting privately for more than one hour. Among the issues discussed were bilateral relations, Cuban affairs, the progress of Cuban-U.S. negotiations in New York, and other Ibero-American and international issues.

Minister Solana told a news conference of the Spanish Government's willingness to help Cuba with its economic transformation and of its intent to maintain and possibly extend collaboration with Cuba. He voiced the Spanish Government's opposition to the U.S. economic blockade and his hope that the New York negotiations will open new avenues to solutions to the conflict between Havana and Washington.

Minister Robaina said that the tone of sincerity and candor that characterized his talks with Solana will assure that this, his first visit to Spain, will be productive. Robaina said that the meetings have reached such a level that there are no factual or complicated issues separating them. They can discuss everything. Rather than great differences, what they have are diverging points of view in relation to certain matters that may threaten the open communication that currently defines their ties. Robaina told the myriad of reporters that Cuba seeks only respect, understanding, and time to make the proposed changes. In this sense, he said that the scope of these changes will be limited only by the effort to preserve Cuba's independence and sovereignty, as well as Cuba's right to speak with its own voice without asking permission from anyone.

Robaina's agenda also includes a meeting with (Antonio Gutierrez), secretary general of the workers commissions, which is taking place right now.

Robaina Meets Nationals in Spain on Compatriots' Efforts

FL0709111094 Havana Radio Rebelde Network in Spanish 2300 GMT 6 Sep 94

[Report by correspondent Barbara Betancourt, in Spain; from the "Exclusive" program—live]

[Excerpt] Foreign Minister Roberto Robaina Gonzalez told Spanish reporters upon arriving in Madrid that he will invite Spanish Foreign Minister Javier Solana to visit Cuba. Although his first visit to Spain does not officially begin until 7 September—with a meeting with Solana—Robaina today met Cubans working in Spain and pointed out that Cuba's foreign policy stems from the people's efforts nationwide. He said that anyone representing Cuba abroad must be aware of his compatriots' efforts. Robaina explained that he has not visited Spain since right now it is more important for Cuba to reestablish its presence in Latin America. Robaina discussed many of the changes taking place in Cuba, particularly economic changes, as well as recent social events. The meeting lasted over two hours, and all the Cubans present not only received firsthand information but also left convinced that each one, regardless of his job, is an ambassador of Cuba foreign policy. [passage omitted]

Radio Cites Robaina on Meetings With Exile Figures

FL0909023094 Havana Radio Rebelde Network in Spanish 2300 GMT 8 Sep 94

[From the "Exclusive" program]

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[Text] Cuban Foreign Minister Roberto Robaina told a news conference at the International Press Club, in Madrid, today that he met Eloy Gutierrez Menoyo, leader of the Cuba Change organization, in Madrid on 8 September. Robaina added that he met Ramon Cernuda and Alfredo Duran, leaders of Cuban exile organizations in the United States, separately on 7 September. Robaina recalled the Nation and Emigration conference that took place in Havana last April with the participation of over 200 exiles living in different countries. He said that the conference initiated a process of communication and meetings with representatives of the Cuban community abroad. Robaina added that the petition that these three people presented to the Spanish Foreign Ministry to meet him during his visit to Spain was approved to broaden the process, because there was lack of communication between the parties and because these people did not participate in the April conference. Robaina said that these leaders respect Cuba and, even though they disagree ideologically, oppose a policy of war and blockade against Cuba. He added that ideological affiliation was not the focus of the talks. It is important to communicate with those who respect and understand Cuba, as Cuba needs consensus and invites opinion. Robaina suggested that prejudices on both sides disappeared during this initial conversation. He said that these leaders think that what they believe and where they live can prove helpful and, more importantly, that they are willing to help save a nation. Robaina explained that no timetables or conditions were discussed during the meetings with Cernuda, Duran, and Gutierrez and that this initial encounter helped bring down barriers. Robaina categorically rejected any possible contacts with leaders of the so-called Democratic Platform, whose leader—Carlos Alberto Montaner—is accused of being a U.S. instrument in its strategy to suffocate the Cuban Revolution. He said that there is nothing to discuss with this organization or others like it.

Radio Reports Foreign Ministers Meet Prior to Rio Summit

FL0809155294 Havana Radio Reloj Network in Spanish 1402 GMT 8 Sep 94

[Text] Foreign Ministers of the 14 nations that form the Rio Group began preliminary contact on 8 September while the heads of state and government leaders began arriving in Rio de Janeiro.

The explicit agenda for this day of deliberation was not disclosed, but discussions revolved around a final declaration prepared by the coordinators of the Group this week. According to official sources, the document contains positions on matters of crucial interest to Latin America, such as development, democratization, technology, commerce, and human rights. The Cuban situation and the U.S. blockade are priority items. Another subject of debate is the Haitian conflict and the possible North American invasion of the Caribbean nation.

The Rio Group first met in Rio de Janeiro, Brazil in 1986.

Radio Notes Rio Group To Discuss U.S. Blockade

FL0909013094 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Sep 94

[From the "National Radio News"]

[Text] Brazilian Foreign Minister Celso Amorim has confirmed that Brazil will reiterate its opposition to the U.S. blockade of Cuba at the eighth Rio Group summit, which will begin on 9 September. Amorim said that a policy of dialogue should underlie relations with our country. Amorim made these statement upon arriving in Rio de Janeiro, where Rio Group foreign ministers will meet prior to the summit. Amorim praised Cuba's adherence to the Tlatelolco Treaty on nuclear nonproliferation in Latin America.

Venezuelan President Rafael Caldera told a news conference in Rio de Janeiro today that he will propose measures to prevent the U.S.- Cuban crisis from deteriorating. Caldera said that he has drafted a declaration calling for Washington to lift its trade blockade of Cuba in the hopes of avoiding violent situations that could leave Cuba irreparably damaged.

Meanwhile, the presidents of the 14 Rio Group countries will meet on 9 September to discuss issues of great importance to Latin America, such as development, democratization, technology, trade, and human rights. The discussions will develop around a final declaration, which was prepared by the coordinators this week and includes the Cuban issue and the U.S. blockade, as well as the Haitian conflict and the possible invasion of that Caribbean country.

Guantanamo Border Guard Prepares for Second Training

FL0509020094 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 5 Sep 94

[Text] The front line Border Guard troops of Guantanamo Province are preparing to begin the second period of military training. During a ceremony marking the beginning of the training period, [first name indistinct] Diaz Leyva, president of the provincial defense council, told the soldiers that the greatest responsibility falls on Guantanamo's Revolutionary Armed Forces [FAR] troops:

[Begin Diaz recording] This demands sacrifice, selflessness, dedication, and initiative from us. [end recording]

To keep things calm in the land bordering the U.S. installation depends on youths such as these. Despite circumstances, the Guantanamo FAR troops have a high combat-readiness level and will make the best use of the resources available to provide the troops with quality training.

[Begin Diaz recording] I have no doubt whatsoever that the troops who defend this province are always willing to

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fulfill the sacred duty of defending the fatherland, the Revolution, and socialism. [end recording]

Surveillance, Control Reinforced Along Guantanamo Base

PA0809160294 Madrid EFE in Spanish 0749 GMT 8 Sep 94

[By Raquel Martori]

[Excerpt] Guantanamo (Cuba), 8 Sep (EFE)—A Cuban military officer has said that surveillance and control along the border with the U.S. naval base in Guantanamo has been reinforced because "no irresponsible Cuban is going to create problems between the U.S. and Cuban Governments."

Brigadier General Manuel Perez Perez, head of the Cuban troops in Guantanamo, held a news conference for a group of foreign correspondents who on Wednesday climbed the Malones promontory, the highest point overlooking the naval base, to observe the Cuban and Haitian refugee camps located in this military enclave.

Perez said that Cuba has approximately 6,000 men stationed in different areas to supervise and control a surveillance system "because no one will leave through here nor are they going to create problems between the U.S. and Cuban Governments."

The general warned that the situation at the naval base "is extremely difficult and worrisome because of what could happen there" and underscored that surveillance and control have been reinforced to keep people from crossing the area into the base. [passage omitted]

General Blames 'U.S. Hostility' For 'Disturbances' in Camps

PA0809152694 Havana PRENSA LATINA in Spanish 1156 GMT 8 Sep 94

[By special correspondent Ulises Canales]

[Text] Guantanamo, Cuba, 8 Sep (PL)—U.S. hostility against Cuba and its encouragement of the illegal departures of Cuban nationals are the main causes of the disturbances between Cubans and Americans on Guantanamo Base, it was charged here today.

In exclusive statements to PRENSA LATINA, Brigadier General Carlos Manuel Perez Perez, chief of the military troops in this eastern province, said that Washington's traditional policy and the difficult living conditions of the individuals confined there led to the incidents yesterday in two camps on the base.

"This is nothing but confirmation of the great concern we have been voicing in the last few days about the consequences of concentrating citizens in conditions of incarceration and all related factors that lead to an explosive situation in that place," he emphasized.

In a dialogue with PRENSA LATINA on the evening before it was learned that the disorders had occurred, Gen. Perez Perez warned that excessive concentration on the base of approximately 21,000 Cubans, about 14,000 Haitians, and reinforcement of 8,000 U.S. troops could create situations with uncertain consequences.

"I think that worse incidents, serious and unforeseeable problems, confrontations among the Cubans, and insubordination could occur in the next few days. We are sure that as time goes by, the situation could worsen. Evidence of this is yesterday's events," he said.

Perez Perez explained that serious riots have occurred in two of the three camps set up to shelter the illegal Cuban emigrants picked up by the U.S. Coast Guard in the Florida Straits, even though the Cubans remain under surveillance by the soldiers and are internally divided by a double row of fencing.

He pointed out there was a serious fight, fires, and stone throwing at the "Golf Course" camp, while there was serious insubordination at the so-called "Infantry Shooting Range."

After noting he had no further details on this, the Cuban general added that he had learned some Americans had been injured, that there had been attempts to tear down the fence in an effort to leave the camps, and that a large group of the military forces stationed there had been sent to control the situation.

We have information, he stressed, that strikes are being mounted and that the survival of the fittest prevails. In other words, there are problems that could lead to more serious complications.

He defined the living conditions on the military enclave as terrible and difficult from all points of view. He added that there are children, women, and elderly people confined in the three camps (the third one is known as Loma Mesa) that are divided by fences.

He said there is much promiscuity, lack of hygiene, little clothing, and no radio, television, or other means of obtaining information. These factors undoubtedly give rise to adverse emotions in these citizens, most of whom are doubly disappointed, he added.

First, this is because a long time ago many of them tried to travel to the United States and were denied U.S. visas, he explained.

In the second place, he said, they ventured out onto the ocean in the hope of reaching Florida. But even worse than this risk is the fact that they have fallen into a huge concentration camp. Gen. Perez Perez said that this all has a negative effect on these human beings and could lead to a serious conflict on the naval base.

Report Notes 'Imminent' San Jose-Havana Rapprochement

PA0309164994 Havana PRENSA LATINA in Spanish 1213 GMT 3 Sep 94

[By Rafael Ugalde: "Relations With Cuba and Economic Crisis Monopolized Attention"]

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[Text] San Jose, 3 Sep (PL)—The attention of political and media sectors in Costa Rica this week has focused on a new development in Costa Rican-Cuban relations, as well as the future of the Costa Rican economy.

Costa Rican President Jose Maria Figueres and Cuban Foreign Minister Roberto Robaina confirmed in this capital on 2 September their mutual interest in establishing an "important channel" between Havana and San Jose.

If that interest is fruitful, particularly during the administration of President Jose Maria Figueres, as he said, Costa Rica would reportedly give temporary refuge to Cuban emigrants who legally leave Cuba and who have relatives here.

Aside from the novelty involved in having the Cuban foreign minister and a Costa Rican president together in an improvised news conference, the expected comment today in the local media focused on the imminent rapprochement between San Jose and Havana.

Costa Rica's relations with Cuba have always been influenced, at the very least, by U.S. views as of 32 years ago, when Washington pressured Costa Rica into breaking relations with Cuba.

"Regardless of the U.S. Administration in office, Washington was always trying to ensure Costa Rica complied to the letter with its diplomatic designs," a Costa Rican Foreign Ministry official has told PRENSA LATINA when assessing Robaina's recent visit.

This anonymous source said on 24 August U.S. Secretary of State Warren Christopher spoke to Figueres in person to tell him the White House did not approve of the steps taken by Costa Rica regarding migration.

Costa Rica rejected from the beginning the acceptance in its territory of any Cuban or Haitian refugees who had illegally left their countries , arguing it lacked the appropriate infrastructure.

The United States deemed as "unwise" San Jose's affirmation to broaden talks, which implies a request to suspend the embargo, while Cuba and the Clinton administration were holding talks on migration, the source added.

[Words indistinct] monetary reserves to 40 percent.

This serious trend became obvious in a recent draft fiscal budget bill in which 28 percent of the funds lack financial backing. The executive branch has submitted this bill to Congress.

A 7-percent fiscal deficit with regard to the GNP is a critical sign anywhere and presages economic doom, Costa Rican Vice President Rodrigo Oreamuno conceded.

Honduran President Comments on Relations With Cuba

FL0309182094 Havana Radio Rebelde Network in Spanish 1700 GMT 3 Sep 94

[Report by special correspondent Zenaida Costales in Tegucigalpa, Honduras; from the "National Radio News"]

[Text] Foreign Minister Roberto Robaina held private talks with Honduran President Carlos Roberto Reina, who expressed his opinion on the blockade, and Robaina's visit.

[Begin recording] [Reina] No Latin America country can be ostracized eternally. That is unthinkable. The American forum, with the influence that a former president such as Cesar Gaviria might grant to it ....[changes thought] I am convinced that history will end up fully uniting all the countries and the day this happens, we will be pleased.

I have met with [passage indistinct] and also the pleasure of greeting the leader of the Cuban Revolution, President Castro, in Cartagena de Indias.

[Costales] What is your opinion on future prospects for relations between Cuba and Honduras?

[Reina] In fact, relations have always existed. Whenever we have endured the disastrous hurricanes, the Cubans have been the first to come in our aid. They created great sympathy for Cuba. In sports, we have been working jointly with Cuban specialists. Many Honduran citizens travel to Cuba for health reasons. In fact, the people are interrelated. What we do not have is formal relations, strictly diplomatic relations. However, I believe that through the system this has to be resolved. There is no reason to maintain a Cold War situation of hostilities between blocs, when the causes have disappeared. [end recording]

[Costales] Robaina's trip to eight Latin American countries is very important for Cuba because at this difficult hour many argue that Cuba is isolated. Thus, this trip is an accomplishment in the establishment of better relations with Latin American countries. This is, undoubtedly, one more step toward Latin American integration.

'Subliminal Propaganda' in U.S. Radio Broadcasts Viewed

FL0209163194 Havana Radio Rebelde Network in Spanish 1155 GMT 2 Sep 94

["Our Opinion" commentary by Eduardo Dimas; from the "Doing Radio" program]

[Text] In the last few days, several comrades have approached me to ask me about subliminal propaganda. Even though I am not an expert in that area, I will try to provide some elements on the subject.

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Let us begin with the principle that subliminal propaganda is not aimed at a person's conscious mind, instead it is aimed at his subconscious. In other words, that zone of the brain that can receive information without processing it first, in other words, without reasoning through the information.

Let us use some examples: In the movie theater the images are shown at 24 frames per second and on television at 26 frames per second. If on a video tape or film I were to replace one or two frames of the image—let us say of a soldier readying for action, for one or two clips of murdered people—you would realize that something happened; that you saw something that was not exactly what you were watching but you do not know exactly what it was because it happened in just fractions of a second. Nevertheless, if I were to insert the image of the dead bodies several times in the movie you would probably, inadvertently, link the image of the soldier with the image of the murdered people, which was my purpose.

In the written press it is also possible to provide subliminal messages. I will give you an example that I saw with my own two eyes. I was in Nicaragua in 1988 when the newspaper LA PRENSA was renewing attacks against the Sandinist Revolution and the Cuban internationalist aid. One day, when passing in front of a news stand, where this newspaper was sold, I noticed that on the top part of the front page they had the following headlines: on the left side: Ship arrives with Cuban Sugar; a little further down, there was a picture of then president Daniel Ortega. On the right side, almost at the same level of the other headline there was another headline that read: Children die from poisoning. Remember that when one walks by a news stand one reads the headlines, not the text. The subliminal message consisted in linking the Cuban sugar and Daniel Ortega to the children that died from poisoning.

On the radio, which is what sparked the question by these comrades, subliminal propaganda is also possible especially if it is repetitive and systematic. A clear example was the message that the 17 counterrevolutionaries stations, which broadcast from the United States against our country, continued repeating to those who were receptive to their message. On the one hand, they warned, three or four times a day, that crossing the Straits of Florida on fragile embarkations was dangerous, but on the other hand, they announced the arrival of the illegal rafters in the United States. They would read their names and turned them into heroes. They interviewed them. In the same manner, they would interview Cubans who after living in that country for some time had had some economic success: An invitation to make illegal exits, because the U.S. Interest Section did not grant visas, was evident.

Since the message is aimed towards a certain type of people, the broadcasters know that they will always find receptive ears capable of internalizing the message, above all in circumstances as ours where the economic problems, the needs, and shortages sometimes become desperate.

Furthermore, the message is broadcast from a highly developed country with a high living standard where all the Cuban rafters were received, according to the propaganda, with open arms and all their problems solved.

It is precisely this irresponsible message, together with the U.S. Interest Section's position of not granting visas that has motivated the massive exodus of Cubans, who have now become a nuisance and are now being concentrated on the Guantanamo Naval Base, in Panama, and at other military installations. They realize that they have provoked a terrible human drama and now they intend to point the finger at us and blame us for the situation.

The manipulation of minds is not something from a science fiction novel, but a psychological communications phenomenon that is used on a daily basis in the capitalist world, especially in marketing to induce people to consume this or that product. But, it is also used in political messages more frequently than we imagine.

In our country subliminal propaganda is completely forbidden because we respect the human being, his dignity, and individuality and we do not aspire to manipulate minds. That is a fundamental difference between our media and theirs. In any case, let us not forget that there are always those who wish to be manipulated.

Rights Organization Leader Cited on Ending U.S. Blockade

PA0509221094 Havana PRENSA LATINA in Spanish 1631 GMT 5 Sep 94

[Text] Quito, 5 Sep (PL)—The international community should act firmly and demand that the United States lift the economic blockade against Cuba, Juan de Dios Parra, secretary general of the Latin American Human Rights Association (ALDHU) said today.

In a statement for PRENSA LATINA, Parra stressed that firm, severe, and effective actions are necesary to make Washington lift its economic embargo against Cuba.

We must demand the end of that policy, hardened by an increase of the commercial and financial blockade and radio transmissions that obviously affect the Cuban people, whose economic situation has been deteriorating even more during the past few months, Parra stressed.

He added that the economic crisis in Cuba has worsened due to Washington's hostile policy for the past 35 years.

Parra urged the international community to promote policies that will encourage the elimination of unilateral coercive economic and commercial measures that affect

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the development of free international trade and jeopardize the living conditions of people.

Dissident Says Castro Main Obstacle to Democratic Change

PA0309183894 Hamburg DPA in Spanish 1945 GMT 2 Sep 94

[By Klaus Blume]

[Text] Havana, 2 Sep (DPA)—President Fidel Castro remains the main obstacle to a democratic change on the island, Cuban dissident Elizardo Sanchez Santa Cruz said today. Sanchez added in an interview given to DPA Castro could be, however, the "great propitiator of a gradual change to democracy" in Cuba.

"We are still proposing that Fidel Castro's government not only propitiate or allow a gradual process of change but that it actively participate in it," said Sanchez, a 50-year-old former philosophy professor. The Castro regime had sentenced Sanchez several times between 1980 and 1992; the penalties amounted to eight and one-half years in prison.

Sanchez said it is necessary to avoid a power vacuum in a process of transition, because it elicits the danger of having a violent change. "There is a great accumulation of hatred; there are millions of weapons of war on the island, and, furthermore, the Cubans are the best trained in the world to use those weapons," he warned.

After saying he would vote against Fidel Castro in free elections, Sanchez added his personal belief that the president should head the gradual democratic changes in the country is based on his being an active member of human rights movements.

"We would accomplish in this way the transition at the lowest possible human cost, but a great deal of blood will be shed if the transition is carried out against the will of the Castro government," he said.

He admitted, however, his idea that Castro should head the process of reform is not shared by the hard-liners among the Cuban exiles or by "the inflexible people in Washington who want to bend the Castro government to its knees."

Elizardo Sanchez also said he opposes the commercial embargo imposed by the United States 32 years ago: "No government responds positively when it is cornered, and, furthermore, the blockade has not harmed the totalitarian government."

He accused Castro of representing the most unmovable sector of the regime. "I am still waiting for the miracle that Castro will understand that this road is the worst one for the country and for himself. Castro could keep his status as a legend with gradual reforms. If not, he will not be absolved by history," said the Cuban human rights defender.

He admitted the Castro government still has an important backing on the island. "Castro's political base has been deteriorating throughout the years and in the past months and weeks, but the deterioration has gained celerity," Sanchez said, adding "Castro would lose" if there were free elections tomorrow.

According to the dissident, Castro's fall could take months or years. The people's support is not essential for this government, because it has "the world's most powerful" repressive instrument.

U.S. Immigration Policy on Mexicans 'Xenophobic'

FL0209120094 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 2 Sep

[From the "NTV" newscast]

[Text] The U.S. immigration policy on undocumented Mexicans is becoming increasingly xenophobic and dehumanizing. Mexican human rights activists in California have warned that the border situation is getting worse, with U.S. immigration authorities conducting violent acts. The activists denounced the fact that undocumented Mexicans are presented as animals in need of control, instead of human beings seeking work. Signs of the policy against Mexicans immigrants include the construction of walls and ditches along the border, as well as the absurd idea of showering illegal aliens with phosphorescent powder when they cross the border.

Ross Explains Difference Between Income Tax, Social Security

FL0509012294 Havana Radio Rebelde Network in Spanish 1700 GMT 3 Sep 94

[From the "National Radio News"]

[Text] Workers' contributions to social security is the most debated issue on the Cuban Workers Federation [CTC] plenary being held today to prepare union cadres for the work in the months ahead.

Over 650 union cadres are participating in the plenary in Havana. The meeting is chaired by the top leadership of the Communist Party of Cuba in Havana and CTC Secretary General Pedro Ross. The meeting is focusing on a number of tasks the CTC will conduct in the months ahead, particularly the economic efficiency assembly process scheduled to begin on 15 September. The issue of workers' contributions to social security is part of this assembly process.

[Begin Ross recording] At the assemblies, the workers expressed their objection to income taxes. Income tax and what we are discussing are two separate things. We are talking about a contribution. The tax is a resource invested by the state in any of its obliygations; for example, building either a sewer, a sanatorium, or a jail. However, the social security contribution being proposed is to establish a fund which the workers will later

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receive. When we speak with workers, we see that on many occasions, matters have not been clearly explained, whether it is a tax on salary or a contribution to social security. [end recording]

Communications Official Announces Postal Price Hikes

FL3008151494 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 26 Aug 94

[Interview with Communications Vice Minister Reynaldo Montero by Ester Barroso; from the "NTV" newscast]

[Text] Beginning 1 September 1994, new mail and telegraph prices will go into effect for national and international service. The price increase will be either double or triple the current price. There will be increases in the cost of sending letters, post cards, certificates, boxes and packages, wire service and telegrams. The cost of post office boxes will also increase beginning next year. International service fees will be divided into three regions: America, Europe, and the rest of the world. These increases are expected to yield revenues of 29 million pesos a year.

[Begin recording] [Montero] The postal service is operating with a deficit of approximately 10 to 11 million pesos a year. This has to be solved. At the same time, the considerable volume of foreign currency these services cost Cuba is also very important. The transportation of mail to other countries and its distribution in those countries, costs of telegrams sent abroad that have to be paid to foreign countries, plus the supplies that we must acquire, add up to about $6 million in hard cash.

[Barroso] With the price increases can we expect better postal service?

[Montero] Yes, the goal of improving the financial health of the postal system is to have more resources to be invested in materials; from an organizational standpoint, we are taking steps to better prepare personnel and improve customer service.

[Barroso] Postal workers have been briefed in order to give customers all necessary information and notices like these will be posted in all Communications Ministry facilities where you can find out about all the new prices. [end recording]

Barbados

Governor General Swears In Prime Minister Arthur

FL0809225194 Castries HTS Caribvision Television in English 1945 GMT 8 Sep 94

[From the "Caribbean Evening News" program]

[Text] Owen Seymour Arthur, a 44-year-old economist, became Barbados's fifth prime minister since independence in 1966. Prime Minister Arthur was sworn in following a resounding victory by the Barbados Labor Party [BLP] on 6 September. Deputy Prime Minister Billie Miller and Attorney General David Simmons were also sworn in by the governor general of Barbados, Dame Nita Barrow. Olu Walrond has this report:

[Begin recording] [Arthur] I, Owen Seymour Arthur, being appointed prime minister, do swear that I will, to the best of my judgment, at all times when so required, freely give my counsel and advice to the governor general...

[Walrond, overlaying Arthur's address] Barbados's newest prime minister, Owen Seymour Arthur, taking the oath of office before the governor general at Government House. The ceremony was witnessed by his wife, Beverly; members of the BLP; and other top government officials. Mr. Arthur's first two cabinet ministers—Billie Miller and David Simmons—were also sworn in.

[Miller] I, Billie Antoinette Miller, being appointed minister, do swear that I will, to the best of my judgment, at all times when so required, freely give my counsel and advice to the governor general.

[Simmons] I, David Anthony (Cathgart) Simmons, being appointed minister, do swear that I will, to the best of my judgment, at all times...

[Walrond, overlaying Simmons's address] Mr. Simmons will be attorney general and the minister of public safety, and Miss Miller deputy prime minister and the minister of international business.

[Arthur] I want to have a high-powered minister responsible for the development of the international business sector in Barbados, and I also want to bring a new thrust to bear on international relations, particularly international economic relations. And the deputy prime minister as the minister responsible for the international business economy signals that we are very serious about making this one of the main (?engines) of the Barbados economy. I also want to fully utilize the tremendous international experience that Billie Miller has accumulated throughout her career but, more particularly, during the course of the last seven years, when she has really been one of the dominant regional people on the international circuit.

[Walrin] Mr. Arthur says the remaining members of his cabinet will be announced tomorrow.[end recording]

Haiti

Groups Call For Protest of Embargo, Invasion

FL0809204794 Port-au-Prince Signal FM Radio in French 1030 GMT 8 Sep 94

[Text] A big demonstration is planned for today: Capois Lamort, headed by engineer Franck Pierre, has called

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everyone to Quai Colomb at 1400 [1800 GMT] to protest U.S. occupation and foreign interference.

A voice has been raised in favor of this demonstration: The Independent Drivers Union [SIC] calls on the Haitian people to protest en masse against embargo, foreign interference, and intervention. Correspondent Luckenson Jean interviewed Pierre Malvoisin, SIC leader, on 7 September:

[Begin recording, in Creole] [Malvoisin] We call on all civil servants, officials, and soldiers to take to the streets in protest on 8 September.

[Jean] You unconditionally support this demonstration, initiated by the Civic Action Group [gwoupman aksyon sivic]. What else can you contribute to this demonstration?

[Malvoisin] My call for everyone, particularly students and civil servants, to demonstrate is my contribution. Aristide will fire 23,000 of them when he returns.

[Jean] Why stage this demonstration?

[Malvoisin] To protest the embargo and to demonstrate in support of national sovereignty. [end recording]

[Signal FM adds during the same newscast: "The 30 September Platform has issued a press release, signed by Platform President Roosevelt Phrage and General Counsel Mondestin Junior, saying that it is dismayed that foreign powers are being so stubborn in their determination to destroy Haiti through military intervention even though certain segments of the population have demonstrated against intervention as a means to resolve the crisis on several occasions. Members of the 30 September Platform say: We have always struggled for social appeasement and against the embargo, against the high cost of living, and especially against Aristide's return as head of state. We call on everyone to participate in the big demonstration on 8 September against the liquidation of the state-owned enterprises, against the destruction of the Haitian Armed Forces, and against any violation of national territory."]

Demonstration Held Against Possible U.S. Intervention

PA0909024794 Madrid EFE in Spanish 0002 GMT 9 Sep 94

[By Herold Jean-Francois]

[Text] Port-au-Prince, 8 Sep (EFE)—Supporters of the coup d'etat that overthrew Haitian President Jean-Bertrand Aristide on 30 September 1991 participated today, 8 September, in a demonstration in the capital against a U.S. military intervention.

The demonstration carried out by supporters of the coup came in response to a call made by the rightwing organization "Capois La Mort," linked to the military. Hundreds of demonstrators approached the wharf area and later marched to the U.S. Embassy shouting hostile remarks against the return of Aristide and against a U.S. military intervention.

Four "marines" who were standing on the embassy's roof with long-range weapons and protected by sandbags observed the group of demonstrators, who later went to the Park of the Independence Heroes, near the Presidential Palace.

Just as in Duvalier's days, several trucks provided transportation to the persons who participated in the demonstration, which has taken place at a time when threats of an invasion of Haiti have increased.

In the streets leading to the Army and Police Headquarters, the sandbags that had been placed there and that had later deteriorated were replaced by drainage pipes.

The Police and Army Headquarters and the Presidential Palace are considered strategic areas.

Moreover, 77 mass organizations declared 11 September as a day of mourning and reflection to remember the church parishioners who were killed at the San Juan Bosco Church, at the low income neighborhood of Les Salines, on 11 September 1988, when General Henri Namphy was in charge of the country. They will also remember Antoine Izmery, a businessman and political activist, who was murdered by unidentified individuals on 11 September 1993 as he was celebrating a mass in the memory of the San Juan Bosco Church victims.

Izmery was shot in the head after armed civilians dragged him out of the Sacred Heart of Jesus Church in Turgeau, in southeastern Port-au-Prince, where he had organized the mass.

The mass organizations said in a news conference that their desire is to dedicate this day to all the victims of the coup d'etat.

"Aristide or death," they shouted as they demanded President Aristide's return to the country.

Meanwhile, a group of 241 clergymen called today for an end to what they referred to as "Haiti's death regime."

Father Gerard Jean-Juste, who spoke on behalf of the group, compared the military regime to a factory that produces corpses.

Father Jean-Juste denounced the suppression mainly targeted at clergymen, who are beaten, tortured, and murdered, and urged Haitians to maintain their resistance.

Port-au-Prince Mayor Evans Paul—in statements to radio stations—accused the "de facto" government of freezing the funds of the capital's Mayor's Office, which are at the central bank.

Paul said that this act is illegal and called it "thievery" when he maintained that no constitutional or "de facto"

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government is entitled to use the funds of the Mayor's Office, which is an autonomous organization.

Paul announced on Wednesday night that today he was going to pay those employees who are demanding 21 months of overdue salaries.

The workers, who do cleaning chores, threatened to set up barricades in the capital and go on a strike if they are not paid.

Some 100 dissidents who obtained political asylum to travel to the United States left Haiti today through the Dominican Republic.

Party Leader Writes Cedras on Taking Mission Abroad, Advice

FL0809215494 Port-au-Prince Signal FM Radio in French 1030 GMT 8 Sep 94

["Open letter" from Pastor Richard Vladimir Jeanty, leader of the Haitian Party of God, to Lieutenant General Raoul Cedras, Haitian Armed Forces commander in chief; date not given; read by Jeanty]

[Text] Dear General,

May God's peace be with you!

You, yourself, through your daily actions, prompted my suggestion that the provisional president send you on a mission to Asia or Africa. Several people say I should discuss this with you in private, even though I believe it would be pointless. I told them that you are always willing to listen to my advice but that you do not take it into consideration when you make your decisions.

If you had taken my advice:

—the few bad soldiers who have joined armed civilians in degrading the Haitian Army and in terrorizing the population would be in jail;

—the shameful government resulting from the Villa d'Accueil agreement would not be ruining our country;

—the Governors Island agreement—used by those who have inflicted this total embargo on us, who try to destroy our army, and who nourish the idea of occupying us—would not bear your signature;

—and the current government, which is more and more disparaged, would not be causing so many unfortunate people to die of sickness and hunger through its inability to create a symbiosis between the people and the Army to force the foreigners to lift the embargo and to let Haiti settle its internal business itself.

Aristide Assures 'No Revenge/No Penalty' Policy Upon Return

FL0809212494 Port-au-Prince Radio Metropole in French 1600 GMT 8 Sep 94

[Text] President-in-exile Jean-Bertrand Aristide has granted LE MONDE an interview: He insists on reconciliation and justice in Haiti once the military in Port-au-Prince leaves power. The president-in-exile says he plans to adopt a no revenge/no penalty policy upon returning to his country. He assures that those in the military who ousted him will benefit from the political amnesty, the coup d'etat itself a political crime. However, he adds that the future of anyone involved in bloodshed or drug trafficking will have to be considered within the framework of the law. I am merely the president, he says, adding that justice will have to be served. Those supporting the current regime who are not involved in such crimes will benefit from my legal and humane approach, the president-in-exile claims, adding that he wants the reconciliation process to ring true and reassuring that he is ready to govern with them. The president-in-exile also says that business sectors collaborating with the current regime will have no other choice but to work with him. He points out: We must cooperate on this new start, just as they did in South Africa following Nelson Mandela's victory.

With threats of U.S. intervention in Haiti looming large, LE MONDE reports that Father Aristide noted during the interview in Washington that he met with General John Shalikashvili, chairman of the U.S. joint chiefs of staff, and William Gray, President Clinton's special envoy on Haiti, for more than one hour on 6 September.

Attorneys Mourn Slain Colleague, Want To Freeze Activities

FL0809230694 Port-au-Prince Radio Metropole in French 1045 GMT 8 Sep 94

[Excerpts] Haitian lawyers are mourning the death of Charles Jean-Baptiste, the Port-au-Prince attorney who was murdered by unidentified gunmen outside the Palace of Justice on 6 September. The Port-au-Prince Bar has described the murder as a foul crime: Bar President Gary Lissade has asked that Bar members stop all judicial activities until concrete measures to protect lawyers are in place. Jean-Max Blanc reports on reaction to the murder:

[Begin recording, in Creole] [Blanc] Lissade says that enough is enough and reports that judicial authorities plan to ask military authorities to conduct a serious investigation into attorney Jean- Baptiste's murder. While Lissade recalled that Jean-Baptiste died in front of the court of cassation, he admitted that he has been unable to identify those responsible. However, he deplores the fact that terrorists committed such an act right in front of the Palace of justice. Lissade said that the act is troubling in that it was committed in broad daylight for all to see, suggesting that the criminals did not fear being identified or punished. He added that Jean-Baptiste died near a police barracks, on a well-secured street that authorities use every day.

Another lawyer said that although he did not know the circumstances under which Jean-Baptiste died, he feared that the same thing could happen to any one of Jean-Baptiste's colleagues. [passage omitted]

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Jean-Baptiste's friends and colleagues gathered at the Palace of Justice to discuss the incident. His friends asked that we not recorded their remarks, saying that their statements would not make any difference anyway. They believe that everyone knows the truth: Terrorists killed a lawyer who respected the rules and did not prostitute the ethics of the profession. Some lawyers believe that one reason terrorists might have wanted to assassinate Jean-Baptiste would be Jean-Baptiste's links with the public prosecutor in a particular trial. [passage omitted]

Those among Jean-Baptiste's friends who think there is more to it than that are prepared to leave the country as soon as possible.

[Unidentified speaker] We often regret having spoken up and not having kept silent.

[Blanc] Jean-Baptiste was a member of the Port-au-Prince Bar. His friends described him as one of the most brilliant figures of a new generation, denied that he was involved in politics, and insisted that he was only practicing law. His friends warn all institutions to beware, pointing out that terrorits have hit two major Haitian institutions in two weeks. [end recording]

Newsmen Must Request Permits To Enter Country

PA0909023994 Madrid EFE in Spanish 2341 GMT 8 Sep 94

[Text] Port-au-Prince, 8 Sep (EFE)—The Haitian Information, Coordination, and Culture Ministry today demanded that news companies wishing to send newsmen to the Caribbean country request prior permits from that department.

It added that after the permit is requested, newsmen can then request a visa to enter Haiti through Malpasse, on the border with the Dominican Republic, and then report to that ministry to obtain the appropriate credentials.

In the letter making the request the news company must explain details of the equipment that will be accompanying newsmen, where they will stay, and how long they will stay in the country.

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Government Decides To Assist Cuban Rafters

PA0809124194 Mexico City Radio ACIR Network in Spanish 0000 GMT 8 Sep 94

[From the "Evening News Panorama" newscast]

[Text] The Mexican Government is providing assistance to a group of 83 Cubans for humanitarian reasons, on the basis of its unchanging policy of respect for the human rights of immigrants who arrive in the country under special circumstances. The Government Secretariat has released a communique announcing the government's official position on the arrival of 83 Cubans in the country aboard flimsy rafts that arrived on Mexican coasts.

It was recalled that in the month of April several boats arrived in Mexico from Cuba, bringing groups of 85 and 96 persons. The Mexican Government granted them nonimmigrant visitors status for 180 days to normalize their situation, because they wanted to travel to Miami in the United States.

The note adds, without specifying the number of immigrants, that, for humanitarian reasons, in the last few days the Mexican Government has been giving them assistance consisting of lodging, food, and medical attention. The note does not specify their location. It adds that, after taking steps in keeping with the general law on population, the National Immigration Institute is permitting the Cuban foreigners to stay temporarily, so that they can have the necessary facilities to get their personal situations under control and define their destination.

Finance Official on Cremi Union Intervention

PA0809165294 Mexico City Radio ACIR Network in Spanish 0000 GMT 7 Sep 94

[Interview with Deputy Finance Secretary Guillermo Ortiz Martinez by Gustavo Lomelin in Mexico City on 6 September; from the "Evening News Panorama" newscast—recorded]

[Text] [Lomelin] Doctor, I would like your comments on certain points that are worthwhile for the ACIR Group's audience regarding the intervention into the Cremi Union Group as a result of certain irregular operations and self-loans. Doctor, what led to this intervention?

[Ortiz] Beginning around 26 July, I discovered that a so-called administrative intervention had been initiated because there were serious irregularities at the bank. Over the past few weeks these irregularities were confirmed. They consisted, primarily, of channeling loans through firms to Mr. Cabal [Carlos Cabal Peniche, president of Banco Union's Board of Directors] for the purchase of assets and firms, including Banca Cremi shares.

[Lomelin] Doctor, one of the things that has proven most worrisome to depositors and investors is whether or not they will be affected. As I have often said, they will not be affected whatsoever because the authorities' intervention guarantees good administration and the correction of those irregular practices. I believe it is important to underscore this point, Doctor.

[Ortiz] Of course. In fact, the purpose of the administrative intervention is to replace the Board of Directors and the bank's general administration. The manager-intervener in this case is Mr. Carlos Aguilar, a very experienced banker with more than 40 years in the business, and he will be aided by a group of distinguished bankers. The first thing they will do is fully examine the institutions's problems, gradually correct them, and get the institutions to begin functioning normally.

Last night the finance secretary and I met with representatives of the banking sector to inform them of the situation at Banco Union and to ask them to help the bank function normally. This implies that Union's depositors, account holders, and creditors need not be concerned, because they will not suffer any losses. Furthermore, the bank has its own resources. Generally, as you know, banks are protected by the Bank Savings Protection Fund [Fondo de Proteccion al Ahorro Bancario], the so-called Fogaproa [as heard], which provides the necessary support they may need to ensure the fulfillment of their obligations. Therefore, it is important that savers and depositors not worry; nothing will happen to their accounts, and they can continue to conduct normal operations at the bank.

[Lomelin] I am very glad you have confirmed this, Doctor, because there was some concern. As I have said, this happens in the best of places and in all countries, and the authorities always guarantee healthy financial practices. However, what will happen after the problems are corrected in the wake of this administrative intervention? Will Banco Union and Banca Cremi go on sale?

[Ortiz] Once operations at the two banks are normalized, we will seize their shares. This could happen within a few months. We will consider the advantage of jointly expropriating the two institutions—you may recall that there was a plan to merge Banca Cremi and Banco Union—or we may sell them separately, because the merger has not yet taken place.

I repeat, what is important is that these institutions should continue to function normally, interbank lending or domestic and foreign lending should continue, and the irregularities detected should be gradually corrected. This is the main task of the intervener-manager and the group of bankers who will assist him.

[Lomelin] What will happen to the approximately 20 companies in which Carlos Cabal is a majority shareholder? Are the authorities investigating whether there is some tax evasion? What will happen to these companies?

[Ortiz] An investigation is being conducted to determine which properties and assets belong to Mr. Cabal, as well as to determine whether he has some tax problems. Of

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course, we will see what will emerge from the investigations the manager-intervener is conducting and will conduct in the next few weeks. If there are losses for the bank, Mr. Cabal's assets will be used to offset them, at least if these assets have been financed by the bank's resources.

[Lomelin] There has been some speculation—and, naturally, some of it is very dubious—and there have been some reports, even some from the CIA, which have linked the San Carlos del Golfo company, the banana company of Tabasco, to possible money laundering. This would mean that part of the origin of this fortune might be illicit.

[Ortiz] Well, we really have no knowledge about this, other than that which has been reported in the media. I think that if the institution had been involved in this, it likely would not have had financial shortfalls.

[Lomelin] Of course. Doctor, you discussed other things with the bankers at a meeting last night after making this important announcement. It is clear that other irregular practices or flaws have not been detected in other banks. I think this means there is no risk that this situation might become contagious in the financial system. This is, in general, positive for the financial system.

[Ortiz] Yes, the National Banking Commission, in the course of its investigations which have intensified in recent months, has detected irregularities in some other credit institutions. Nevertheless, the irregularities it has detected in other institutions are completely different from those detected in the case of Banco Union and Banca Cremi. These irregularities in other institutions are already being corrected. Therefore, the only case that merits an administrative intervention of the type being carried out is in that of Banca Cremi and Banco Union. I think we can say that investigations by the National Banking Commission have concluded that, in general, the financial system is solvent and healthy. I repeat, the irregularities and flaws detected in other banks are already being corrected.

[Lomelin] Doctor, can you confirm whether there are any arrests at this time?

[Ortiz] I understand there have been several arrests. I do not have the latest information. Late last night it was said there were seven or eight people under arrest. Unfortunately, I do not have the latest information.

[Lomelin] Are the authorities preparing a new regulatory framework to improve the supervision of the banks and the financial system in general?

[Ortiz] Well, I think this is a process that never ends. I am talking about the process to review and update the regulatory framework. As you know we have undertaken an important transformation of the financial system, which is now being opened up. Subsidiaries of foreign banks will be entering Mexico soon. This opening must also be accompanied by the strengthening of banking supervision.

I think that for some time, the authorities have been involved in reviewing this framework, as well as involved in strengthening the National Banking Commission, the Securities Commission, the Insurance Commission—in other words, the commissions that are in charge of supervising the financial system to enable them to improve their work, which is to guarantee public interests.

Of course, in a financial system that is becoming more complex, it is important that there be other elements to assist in the area of supervision, such as external audits. These external audits should play an increasingly important role in checking the accounting practices at various institutions. The institutions themselves should also improve their risk analyses. We also have the market in general, which includes such institutions as the assessment agencies, which have to play a role in...[recording ends abruptly with Ortiz in midsentence]

Authorities Issue Warrants in Bank Fraud Case

PA0809195194 Mexico City Radio ACIR Network in Spanish 0000 GMT 7 Sep 94

[Report by Jesus Casasola from the "Evening News Panorama" newscast]

[Text] Following the Public Communications Directorate's secrecy, the Attorney General's Office has reported that so far nine people have been arrested for allegedly being involved in the so-called $700 million superfraud carried out by members of the Cremi Union Group.

Banco Union people under arrest are Rafael Mirafuentes Magdaleno, director of strategic planning; Marcos Mendoza Mariscal, international banking assistant director; and Alberto Diaz Garcia, investment banking assistant director. Others under arrest are Raul Zepeda Gonzalez, director of financial planning; Manuel Echave Miranda, director of Union Rental; Jose Rivas Almaraz, director of Metropolitan Commercial Bank; and Marco Antonio Villalobos Alcopar, director of administration and finances. The Arrendadora Pragma people placed under arrest by federal police are Administrative Manager Carlos Sanchez Sanchez and Eduardo Hernandez Torres, legal representative of Alfil and Associates.

All of the suspects were taken to Oriente following an impressive security operation. The authorities have reported that these people have been charged with crimes outlined in the Credit Institutions Law and the Credit Organizations and Related Activities Law. Seventh District Criminal Court Judge Ricardo Ojeda Bojorque is presiding over the criminal process.

The Attorney General's Office has reported that through diplomatic channels he has requested the assistance of

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U.S. authorities to find, arrest, and extradite Carlos Cabal Peniche, president and shareholder of the Union Cremi Group.

Other fugitives are Hector Gomez Lopez, legal representatives of Textile Services; Mauricio Madero O'Brien, board president of Arrendadora Pragma; and his brother Pablo Madero O'Brien, board vice president of Arrendadora Pragma.

Federal Judicial Police told us that a special unit has been formed to continue the investigations and to try to find others involved in the financial scandal. We have been told that investigations are continuing into other crimes possibly perpetrated by those under arrest.

Thirteen arrest warrants have been filed and nine people have been arrested. Four other people are fugitives. Federal Judicial Police also told us that others could also be involved and that their names will be released as investigations warrant. At this moment, the nine currently being held at Oriente Prison are testifying before the Seventh District Criminal Court. All of the suspects claim they are innocent and that they simply were obeying orders from those who head the enterprises.

Within 72 hours, Judge Ojeda will be reporting on the legal status of the nine individuals who have been arrested and charged so far. It appears they will be held without bail in light of the large amount of money involved in the financial scandal.

PRD's Cardenas Explains Postelection Plan

PA0809161794 Mexico City NOTIMEX in Spanish 0959 GMT 5 Sep 94

[Text] Morelia, Mexico, 5 Sep (NOTIMEX)—Cuauhtemoc Cardenas, former presidential candidate for the Party of the Democratic Revolution (PRD), said he advocates a peaceful solution to the armed conflict in Chiapas State. The opposition leader said yesterday in Morelia, capital of Michoacan State, that he will continue to demand the signing of agreements between the government and the Zapatist National Liberation Army (EZLN).

Cardenas was one of the nine presidential candidates in the 21 August federal elections won by Ernesto Zedillo, candidate for the ruling Institutional Revolutionary Party (PRI).

The EZLN attacked four towns [words indistinct] Indians in a conflict in which at least 150 people were killed and in which a truce has been observed since the middle of that month.

Cardenas said his postelection struggle seeks to end fraud and "save and preserve the elections as the only legitimate means to establish the branches of government." The former PRD presidential candidate also urged his followers to "show" that "we are not mobilizing just to obtain one more office or out of frustration or to negotiate positions."

He added that "Mexico will be democratic because that is what the majority of the people want." He also said his struggle is to "return legitimacy to the authority of the presidency and to separate the official party from the government." "We do not seek the government at any cost. Neither do we want more seats or positions in the government or the states in exchange for negotiating our votes and our principles," he said. "Above all, we seek the truth, because today democracy and the republic can only be built by countering the lies inherent in fraud, which corrupts everything, with the truth of the vote and the law." He said that it is wrong "to argue that this struggle is useless because in any case the PRI would have won with lower figures and the PRD would continue in third place."

He stressed that the PRI's "so-called victory is the most dismal, silent, and solitary in the world. It is the clearest sign that no one, not even those who really voted for the PRI, believe in the figures we were given or the honesty of these elections."

According to official figures, the PRI candidate won the elections with a little less than 50 percent of the votes.

EZLN Denies Government in Rebel-Held Areas

PA0809182894 Monterrey EL NORTE (Foreign Edition) in Spanish 5 Sep 94 p 8A

[Text] San Cristobal de las Casas, Chiapas—The Zapatist National Liberation Army [EZLN] yesterday accused the federal government of launching a campaign of lies regarding the situation in the conflict zone and the entire state of Chiapas.

In a communique signed by Subcommander Marcos, the EZLN invited all news media to verify the government has no stores or electrification, seed, or farming projects in the Zapatist areas.

"The central government is lying when it says it has set up tens of CONASUPO [National Company for Basic Commodities] stores or brought electricity to villages inside rebel territory," it stated.

The communique noted the EZLN has closed off its territory and that government vehicles are not allowed on roads under rebel control.

"It is also lying when it says the CONASUPO vehicles are making routine deliveries within the conflict zone and are passing through the Zapatist roadblocks with the authorization of our troops," the document said.

In the two-page communique, Subcommander Marcos added that the EZLN refuses to accept assistance of any kind from the government.

"The EZLN remains fenced off and is resisting without accepting any alms from the government bullies.

"Personnel, vehicles, and equipment at the service of the central government do not have access to rebel territory," it reiterated.

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It accused the government of distributing money earmarked for the people among corrupt officials and official news media, and, in this way, the door to war is being opened.

"They are lying about projects that do not exist and assistance that has not arrived. The evil government is not interested in resolving the problems that led to the uprising. It is only interested in making believe that the problems are already resolved, and, in this way, the door to war is being opened," it warned.

The communique also predicted that, on the heels of the lies and injustices, war is coming—something the government seeks.

"It does not want peace, but a pretext for war. War is coming; it is coming on the heels of the lies. Through deceit, the mighty are planning the death of our people," it added.

Peasants Seize Agricultural Office in Chiapas

PA0709210494 Mexico City NOTIMEX in Spanish 0859 GMT 7 Sep 94

[Text] Tapachula, 7 Sep (NOTIMEX)—Approximately 500 peasants from 23 communities along the Chiapas coast in southwest Mexico today seized the Rural Development District Office of the SARH [Agriculture and Hydraulic Resources Secretariat] in this border city to demand payment of Procampo [Program of Direct Support to the Countryside] funds.

Peasant representative Bersain Mejia Rubio said the SARH has delayed the distribution of Procampo resources needed to plant basic crops in the spring-summer planting season. He indicated that the peasants are also demanding the payment of loans promised by Governor Javier Lopez Moreno to corn farmers hurt by the drought at the beginning of the season in the coastal area, where more than 14,000 hectares of corn were damaged.

As of 2100 on Tuesday, some 300 employees who work on district development, beneficial insects, plant health, and other programs were being held at the SARH offices.

Meanwhile, it was reported that Chiapas Governor-elect Eduardo Robledo Rincon met yesterday in San Cristobal de las Casas with Bishop Samuel Ruiz Garcia, mediator in the armed conflict in Chiapas. After the meeting with Ruiz Garcia, Robledo Rincon said he would be willing to talk to anyone as long as it helped maintain peace in the state and contributed to the resumption of the dialogue with the Zapatist National Liberation Army (EZLN).

Regarding the elections in which he was declared the winner, the governor-elect said, "What we must do now is respect society's mandate and comply with the state of law and the regulations unanimously agreed upon and approved by all political parties."

Ruiz Garcia said he will meet with Jorge Madrazo Cuellar, commissioner for peace and reconciliation in Chiapas, today, adding that the topics they will discuss [words indistinct] continuity if approved.

Chiapas Governor-Elect Affirms Commitment

PA0709203994 Mexico City LA JORNADA in Spanish 2 Sep 94 pp 1, 12

[Report by Roberto Gurduno]

[Text] Tuxtla Gutierrez, Chiapas State, 1 Sep—Eduardo Robledo Rincon says abruptly: "I am staying because Chiapas has been vaccinated against temporary governments."

During an interview, the governor-elect affirmed he has no dues to pay; that accepting the 11 demands by the EZLN [Zapatist National Liberation Army] "was not an act of opportunism nor a spontaneous act but was a consistent action"; that the elections cannot "be dismissed out without proof since that would show a lack of seriousness or respect for 1.1 million Chiapas residents"; that Bishop Samuel Ruiz "attained the peace we all wanted"; and that there was no fraud in the state.

Seated in a metal chair at the entrance of a farm that belonged to his father, Eduardo Robledo answered, explained, and sent out messages.

[Garduno] What were you doing and where were you when the Golonchan massacre occurred?

[Robledo] I was in the Council of National Resources To Care for Young People [Consejo Nacional de Recursos para la Atencion de la Juventud, CREA]. In the 1980's, I was the CREA promotion director in charge of coordinating diverse communication programs, the most important of which was called Political Wave, and Manuel Buendia, Virgilio Caballero, Miguel Angel Granados Chapa, and Angeles Mastretta participated in it.

[Garduno] Are you aware that in Chiapas and in the country there are dues to pay for the past?

[Robledo] I reached such an important moment in my personal life, certain of my life's actions. I have no dues to pay. All I have is a commitment to social causes in Chiapas, the commitment to work in the service of the poor.

Eduardo Robledo said that he felt secure and calm and responded without stopping to reflect.

[Garuno] On what does the decision on whether you stay or quit hinge?

[Robledo] Considering that in the Chiapas elections, considering that on 21 August, there was no bloodshed, we must work for society and build a future for it.

[Garuno] I insist: are you quitting or staying?

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[Robledo] I am staying. Chiapas is vaccinated against temporary goverments. That is not something Eduardo Robledo says but a demand by society. We have had eight governors in three administrations, one lasted eight days, and you know, when society demands security it means security in its government. An essential part of my work was the commitment to win cleanly and to govern for six years.

[Garuno] You mentioned campaign commitments, the social pact. Why did you accept the EZLN demands at the last minute?

[Robledo] During the campaign, I repeatedly stated that the social reasons expressed starting on 1 January had widespread support. It was not an act of opportunism nor a spontaneous personal act; it was a consistent action.

[Garuno] Some opinions, called "extreme" in the state, challenged and are challenging your victory.

[Robledo] I think the lessons of the elections are very clear. Society knows what happened in every polling station, and society knows what it did with each of its votes. Before the elections, all parties agreed on the rules and the (electoral) law. Not a drop of blood was spilled during the elections. The process concluded, but I believe those who are voicing their nononformity must present proofs, because one cannot dismiss 1.1 million Chiapas residents. I believe those who are dismissing the elections without proof show a lack of seriousness or respect for those 1.1 million residents.

[Garuno] The Party of the Democratic Revolution [PRD] and civilian society are saying your triumph is the product of fraud.

[Robledo] I think the PRD, as a party, must analyze internally what happened, not look outside for errors. That is why some members of that party who have a different opinion about the results. As for civilian society, I think it is very big in Chiapas, a million or so people. That 1.1 million voters are also part of it and spoke and expressed themselves. There are social groups that express themselves, a part of civilian society from some area of the state, but one cannot talk on behalf of society as a whole.

[Garuno] Some say there was fraud. Was there?

[Robledo] I do not think the many thousands of party representatives, I do not think the thousands of national and foreign observers did not see correctly and that some are trying to separate the process from the truth.

[Garuno] Bishop Samuel Ruiz....

[Robledo] He has played a major role as mediator, since he attained the peace we all wanted.

[Garuno] What comes after 21 August?

[Robledo] Talking with all those forces and organizations, with Chiapas residents. Talking so that with tolerance and consensus we may build democratic change, a social pact, and a long-term social program.

[Garuno] Can Chiapas society be certain that in the next six years wrongs will be righted?

[Robledo] The first thing Chiapas residents must do is to return to the calm hours our anthem talks about, let us forget odious revenge, let us not make insults and offenses become a daily occurence or a plan of action. It is through harmony, peace, democracy how a people who gave the world a lesson in democracy grows.

[Garuno] What will you do with the PRI [Institutional Revolutionary Party] in Chiapas, which was used to winning or losing a few times?

[Robledo] We have to promote the new political culture we have to create. It is the culture of pluralisms, based on competition and clear and honest participation. That will make all the political parties in Chiapas, all, get rid of vices or idleness. This is not a personal triumph for Eduardo Robledo or for the PRI only. It is also the victory of social forces and independent organizations that supported this platform.

[Garuno] The day you were declared governor-elect, some PRI members affirmed the next six years will be a blank check.

[Robledo] It is not a blank check, because people voted for other political parties. It is a very clear mandate from society that wants changes and a social transition. Society has already activated these changes, and it is up to us to live up to the task. It is not a blank check because there are commitments with political plurality, and social participation in Chiapas.

[Garuno] Do you tend to associate with the ideas or with the events in which you are able to influence?

[Robledo] I a firm believer in reason and in society's awareness. I also believe that, as a first obligation, one has to learn to listen to others, everyone, every group, as well as listen to reason. One of the most important things necessary to be able to govern and make decisions effectively is the ability to listen. Among other things, I have proposed a pluralist government, but one that listens.

In concluding, Robledo bluntly disregarded a question about Irma Serrano, a.k.a. La Tigresa.

[Robledo] I have not seen the entertainment billboard lately....

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El Salvador

President on Rafters, Cuba, Honduras Relations

PA0909035894 San Salvador EL DIARIO DE HOY in Spanish 8 Sep 94 p 4

[Unattributed article: "The Government Considers Welcoming Cubans"]

[Text] "We are studying the situation to see if it gets worse. We are monitoring it because a humanitarian act would be involved," President Armando Calderon Sol has told the media at Italia, a low-income neighborhood in eastern San Salvador.

The government rejected welcoming Cubans due to problems in El Salvador caused by its small territory, overpopulation, and problem of reincorporating former combatants into society, among others.

"We are monitoring the situation, and as the events unfold, the government will make a decision," he added.

Calderon Sol denied reports that the government is allegedly displeased over a possible reestablishment of relations between Honduras and Cuba. "We respect the decisions of the Honduran Government, with which we will always maintain close relations regardless of its decisions," the president noted.

President Calderon Sol said that even his government hopes to maintain relations with the Cuban people, because "the people deserve and need to have such relations."

"The position of the Salvadoran Government is to maintain relations with Cuba, but with a democratic and free Cuba where the dignity of people and human rights are respected without the presence of an ignominious regime," he added.

Calderon Sol said that during the Ibero-American summit in Cartagena de Indias, Colombia, he had the opportunity to tell Cuban dictator Fidel Castro that "we hope to maintain relations with a Cuba that is as dignified as all other American nations. We also hope there will be democratic changes without bloodshed in that country as was the case in all of Eastern Europe."

The president said he will meet with his Honduran colleague Carlos Reina to ease tension at the border area known as Los Bolsones.

"I invited him to come to Salvadoran territory to hold sincere talks," Calderon Sol added.

Guatemala

De Leon Reviews Summary of Legal Initiatives

PA0409012594 Guatemala City Teleonce Television in Spanish 1900 GMT 30 Aug 94

[From the "Telepress" newscast]

[Text] President Ramiro De Leon Carpio today proposed several fiscal measures aimed at obtaining a minimum tax collection of 8.5 percent of the GNP in 1995.

The bill announced by the president affects the value-added tax [VAT], the income tax, the tax code, the international telephone system, and departures from the country by air, as well as liquor, soft drinks, and cigarettes. These measures can be modified if deemed necessary through a pbulic discussion the executive branch will promote prior to submitting the bill to Congress.

At a news conference, De Leon Carpio summarized the measures:

[Begin De Leon Carpio recording] This is an executive summary of these legal initiatives.

First. We have the VAT. Much has been said; much has been rumored about it, and most of it has been pure speculation. Tax reforms are basically intended to broaden the tax base by eliminating exemptions, subsidies, and provisions that make it easier to dodge tax payments, which erode tax collection. In addition, the idea is to make the administration of taxes more efficient so as to ensure a greater yield. I would like to list the highlights of this VAT reform. First of all, we propose eliminating the tax receipt [comprobante], which actually fosters tax evasion by issuing to the final consumer any sort of unauthorized document. Instead, we will only accept a receipt or a cash register tab.

Second. International officials or experts will no longer have a VAT exemption; no country in the world grants them this exemption, and this measure does not contravene any international agreements. If other countries in the world do not have tax exemptions for our officials accredited there, why should we exempt tax payments by foreign officials or international organizations here in Guatemala? The idea is for everyone to pay taxes.

Third. We propose a rationalization of tax exemptions for cooperatives, associations, and nonprofit foundations. They will be exempt from paying taxes on the services rendered to their members. Their purchases will be subject to VAT, however, because this measure will form part of their operating costs, thus eliminating the subsidy they receive, and this subsidy causes a fiscal deficit. As I said before, this measure means nonprofit organizations are exempt from VAT for the services rendered to their associates, but the purchases they make, which are often articles, products, or machinery that have nothing to do with the service they render, will be subject to VAT. This payment will be part of their operating costs, however, thus eliminating this subsidy. The state has no reason to remain paternalistic and to pay, no matter what social benefits they may render. They will have to determine how to overcome this situation.

Fourth. Municipalities, municipal corporations, will be treated the same way the state is treated; that is, paying

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VAT for purchases of goods and services without claiming a fiscal credit. Whenever the state purchases any product, machinery, or service, it pays VAT, so why should the small state, the municipalities, not pay? VAT payments are returned through benefits by social investments in the interior of the country; thus, there is no reason why the state should subsidize municipalities from VAT payments for the many things the municipalities purchase.

Fourth... [pauses] no, excuse me. Fifth. We will maintain our export tax exemptions. I want to be very clear on this point, because there have been all kinds of misinterpretations and disinformation. I am not referring to the media but, rather, to the people interested in twisting this to ensure that it is never applied and the problem is never cleared up. We will maintain the export tax exemption, because this government supports not only tourism activities as a special policy, but it also supports the export sector to encourage improvements in the flow of foreign exchange and the quality of life of the Guatemalan people.

Direct subsidies will be eliminated because of fiscal credits earned through the VAT paid on the purchase of goods and services. In the bill that will ultimately be submitted to Congress, this fiscal credit will be tax deductible, and with it we will continue to accommodate the export sector.

Today, when exporters purchase goods and services and later ask the state to return the fiscal credit, this is not done because the state is no condition to return this credit. If the bill is passed, however, the fiscal credit will be returned, but it will be done by applying this credit to their income tax, of which we are going to have better records. Many of them do not pay income tax, and, therefore, it is impossible for them to constantly be facing losses.

As for the recognition of fiscal credit for the purchase of fixed assets directly used in the production and distribution of taxable merchandise and services, we are going to include the purchase of land as well, which had not included before. This is an important step, because in the past fiscal credit was recognized in the purchase of fixed assets and in the production and distribution of merchandise, but it did not include the purchase of land. There is no reason for not including such an important commercial activity.

Seventh. [number as heard] We are proposing a mechanism to honor and return the fiscal credit that has been accumulated because of a lack of liquidity in public finances. We will compensate for the nonpayment of the credit balance with a reduction in quarterly or annual income tax payments. Reiterating what I said before, we currently do not return the fiscal credit because of lack of liquidity in our finances, but we are going to return the credit by applying it to income taxes, which everyone must pay. Profitable companies—all companies that earn a profit—must pay income tax. We are going to facilitate the payment of this tax through the payment of the VAT, and instead of returning the fiscal credit we are going to apply it to the income tax. This is a logical situation, which also will allow the state to efficiently collect income tax when the VAT is paid.

I am now going to talk about the draft bill containing the income tax issue, which is perhaps the most important. The reforms are basically aimed at recovering account payments and tax withholdings suspended by a ruling that was handed down by the honorable Constitutionality Court. The reforms are also aimed at increasing the number of taxpayers and restoring the tax rates that were in effect before the 1992 reforms.

As you may recall, account payments and withholding used to be common practice. The entire business sector agreed with this. The Constitutionality Court handed down a ruling, which we respect of course, but which we are trying to change today because it affected account payments and withholdings that were common practice, and, in turn, we have decided to employ them.

With the aforementioned reforms, we are trying to increase tax collection by improving tax law as stipulated under the Guatemalan Constitution.

Among the most important steps, I am going to list the following:

1. To establish a quarterly tax payment regimen, leaving various options available to the taxpayer according to his ability to make payments. We must remember that this government's financial policy is based on three things: First, we have to facilitate payments; the people demand easy payments. That is why we are conducting reforms at the Finance Ministry. I will refer to these reforms later. Second, we need to increase efficiency in the collection of taxes. Third, we must guarantee punishment for those who do not meet their obligations. Later, I talk more about the types of punishment required.

Also, we will adjust the 34 percent rate applied to corporations. In addition, we are applying a five [word indistinct] tax on the income of individuals with rates ranging between 15 percent and 34 percent, which means we are thereby reforming this 34 percent rate.

3. [number as heard] We are establishing a 4 percent regimen on withholdings considered a definitive payment of taxes imposed on various activities as contained in Paragraph D of Article 65 of the draft bill.

4. We will increase—and I should point out that this is perhaps one of the most important aspects—the annual quota for corporations from the current 0.1 percent level to 1 percent, eliminating the ceiling of 20,000 quetzals per year. Mssrs. journalists, you may understand perfectly well that we cannot operate with such an outrageously low quota. Corporations are currently being taxed according to an existing law. We are not creating something new, but the current law is useless and inefficient. We are charging a 0.1 percent tax with a ceiling of

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20,000 quetzals. To avoid problems, corporations pay the maximum ceiling of 20,000 quetzals, which is nothing for medium-size corporations, let alone large corporations. In this case we are going to eliminate the ceiling and establish a 1 percent tax, thereby eliminating the annual quota for corporations.

5. Finally, interest derived from public and private stock certificates currently exempt from taxation must start being taxed. All activities linked to stock certificates are currently exempt from paying taxes, which is not fair, because this activity is very profitable. Therefore, this exemption is being eliminated and interest derived from public and private stock certificates will be taxed.

Now I will refer to the Fiscal Code. As we all know, here in Guatemala as anywhere in the world, as I said before, we must first facilitate the payment of taxes; second, the state must effectively collect those taxes; and third, punitive measures must be adopted. This means that if anyone does not comply with the legal and moral obligation to pay taxes, there should be measures to punish them, whether they are small-, medium-, or large-scale tax evaders. This should be a rule here and anywhere in the world. Just as those who believe in God fear Him and His divine laws, here on earth they must fear the law.

There is a biblical passage that says: Render therefore unto Caesar the things which are Caesar's and unto God the things that are God's. Those of us who believe in God fear Him, because we believe we will be evaluated on Judgment Day. In this case, the same concept prevails, but under the laws of men. Those who do not comply will be punished according to the law. We need a coercive force, which does not yet exist. This is why small-, medium-, and large-scale groups avoid paying taxes.

The reforms proposed basically seek to strengthen penalties for tax evasion to promote voluntary compliance with tax obligations. Therefore, the following measures were adopted: First, administrative deadlines to collect taxes have been reduced. Current deadlines are so broad that the situation can be compared to labor [word indistinct]. Some people would rather delay payments, sometimes beyond a presidential term, thereby allowing the deadline to expire under a new government. This is why administrative deadlines have been reduced.

Second, fines have been made heftier, and guidelines have been set for indirect offenders. The objective behind this is to prevent violations by the state—something of which we all are well aware. We are attempting to prevent violations by any public finance inspector who appears on an official visit and simply begins to elicit a bribe or threaten an investor or a company. It is for this reason that we have established guidelines for such offenses.

Meanwhile, we have created the mechanism of a provisional business closure. This will be implemented by first respecting due process. In order to proceed with a provisional business closure, it is first necessary to follow due process, obtain a court order, and then proceed to shut down a particular business establishment.

Finally, the crime of tax misappropriation has been dully established. This crime currently appears included in the tax codes, but its implementation has been inadequate because of insufficiently clear guidelines. If a finance inspector finds a street vendor with a videocassette or any other article that does not correspond to an article legally introduced into the country, what happens? We would confiscate all of these articles and arrest the street vendor for flagrantly breaking the law. Likewise, the same would be done with any other type of enterprise, even a large company. Contraband is contraband, whether it is moved by a street vendor, by a boxcar, or a warehouse storing tons of merchandise illegally imported to the country. All of this is included as a crime of misappropriation—in other words, illegally purchased goods.

In this way, we have been able to announce these initiatives. We fully agree with the sectors we have consulted, particularly the country's productive sector, that this is the best method to implement sanctions that will force the compliance of tax payments established by the law, as is done throughout the world.

I will now mention other bills. The first deals with the international telephone system, and it calls for imposing an exclusive tax on international telephone calls in keeping with international rates in order to contribute to the reorganization of public finances, as well as to increase tax revenues. Another bill has to do with exit taxes. The current exit tax by air—not by land, mind you—will be increased by 50 quetzals, which is in keeping with exit taxes charged anywhere else in the world, including other Central American countries.

As for alcoholic beverages and soft drinks, the taxable base for this selective consumer tax will be modified. Here, the VAT will be eliminated and integrated into a single tax. By way of this reform, the taxable base will be the final retail price, as suggested by the producer and published nationally, excluding the VAT and selective consumer taxes in the case of national products.

As for imports, the corresponding taxes will be assessed. Accordingly, those who consume national products will pay a lower price, while those who can afford the luxury of consuming imports will pay more. Nearly all of these bills have been approved, or, rather, we have reached agreements with those sectors that will be affected by these bills. For all practical purposes, the idea is to reach if not a total agreement, at least a general agreement to facilitate the approval of the bills by the new Congress.

Although opposition to any of these bills will be completely understood, I want to convey the president's policy. As president of the Republic, I am entitled to decide social, economic, and other policies in the country. Nevertheless, in keeping with this new leadership style and to establish attainable goals, I am openly

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disclosing my policy to all sectors involved—mainly the country's productive sector and, in particular, the business sector.

We are reaching agreements because all sectors have expressed their willingness and awareness that these bills are necessary, and necessary not just for my government, but to reorganize finances and to turn over an orderly situation to future governments. The approval of these bills will spare the new president the trouble of having to submit another fiscal package in January 1996, and they should have positive mid- and long-term effects.

Ultimately, perhaps not all of these bills will be presented, and perhaps not all of them will be approved by Congress. Nevertheless, what is important for the Guatemalan Government and state is that our reforms reach their minimum goal of 8.5 percent of the tax load. The government is otherwise fine. Thank God, and thanks to the lucky star this administration and the Guatemalan people are said to have, coffee prices are as good as they are, which will make things easier next year. If these bills are not approved now, it is possible that we could have a recession somewhere down the line, and although I may not be president then, I will still regret it as a common citizen. This could begin in '986 [as heard]. Therefore, this is all for the good of Guatemala, just as other measures I have taken—measures which have been equally difficult, such as the electric power rates, which I will discuss sometime in the near future. [end recording]

Government Creates Secretariat for Peace, Reconciliation

PA0509024894 Guatemala City PRENSA LIBRE in Spanish 27 Aug 94 p 3

[Text] On 26 August, the government created the Secretariat for Peace, Reconciliation, and Development, which will be in charge of implementing the peace agreements stemming from the negotiation process with the Guatemalan National Revolutionary Unity, URNG. Hector Rosada Granados will head the Secretariat.

President Ramiro De Leon Carpio made the announcement when installing the National Council for Urban and Rural Development, which he said will be decisive for the recently created institution responsible for implementing the agreements signed with the guerrillas.

De Leon Carpio said: "I have decided, and I publicly announce it today, to create a Presidential Secretariat for Peace, Reconciliation, and Development. This Secretariat, with the firm support of the National Council for Urban and Rural Development, will ensure compliance with all the commitments acquired within the framework of the peace talks."

Meanwhile, Rosada Granados, coordinator of the Peace Commission, Copaz, said this new responsibility will not be a duplication of functions within the peace process.

Nicaragua

Constitutional Reform Proposals Outlined

PA0809161894 Managua BARRICADA in Spanish 6 Sep 94 p 8

[Text] Main changes in the Constitutional Reforms Bill.

National Defense

Article 92: The name is changed to "National Army."

Article 93: The Nicaraguan Army is a national institution that is professional, nonpartisan, apolitical, obedient, and nondeliberating.

National Economy and Finances

Article 114: The National Assembly has the exclusive and nondelegating power to establish, modify, or eliminate taxes. The State will not impose a tax not established by law.

Education and Culture

Article 121: "...Elementary school education is mandatory, and both elementary and high school education should be provided free of charge...."

On the Organization of the State

Articles 136 and 148: The deputies in the National Assembly...the president and vice president of the republic will be elected to serve a five-year period...." [no opening quotation mark as published]

Article 138: It is the responsibility of the the National Assembly to approve or reject all international treaties, as well as accords, pacts, and agreements on foreign debt negotiation and renegotiation. It is also the responsibility of the Assembly to approve or reject agreements compromising the nation's credit or accords on international commerce, regional integration, defense and security, and agreements on the state's juridical order.

New article: To recommend that the president of the republic dismiss the ministers and deputy ministers or directors of autonomous entities.... In case this recommendation is not heeded, the president will inform the National Assembly the motives for said decision, which could be overturned and the president ordered to immediately dismiss the official, if so decided by 60 percent of the deputies.

Restrictions

New article: The following will not be eligible to be candidates to the presidency or vice presidency of the Republic:

1. The constitutionally elected president who holds the office of president or exercised it at any time during the period immediately preceding the elections, or a person who exercised the presidency for two terms.

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2. Relatives within four degrees of consanguinity or second of affinity to the person who exercised the office of president at any time during the period preceding the election.

Two additional chapters are added, creating:

The "Prosecutor General's Office," as the constitutional organ responsible for defending the general interests of society and represent the state in juridical cases.

"The Human Rights Ombudsman's Office, to defend and promote the human rights guaranteed by the Constitution and other laws. [no closing quotation marks as published]

In the chapter pertaining to the Judicial Branch, the "Tribunal for Settling Administrative Disputes" is created to deal with, among other things, administrative conflicts between public administration organizations.

Sandinist Assembly Resolution Issued

PA0809161994 Managua BARRICADA in Spanish 5 Sep 94 p 12

[Resolution issued by Nicaragua's Sandinist Assembly in Managua on 4 September]

[Text] Meeting in a special session on Sunday, 4 September 1994 the Sandinist Assembly

Resolves,

1. To consider that the Law on Property Stability and the Constitutional Reforms are necessary bills for the Nicaraguan people and must be submitted to the National Assembly for its discussion and approval.

2. To order the FSLN [Sandinist National Liberation Front] National Directorate, in coordination with the Board of Directors of the Sandinist legislative faction, to draft a strategy for the two bills.

3. To demand that the president of the Republic and the National Assembly president proceed to publish the decree promulgating reforms to Articles 192 and 195 of the Constitution to permit implementation of constitutional reforms in a single legislative period.

4. To order the National Directorate to verify the consistency of the Constitutional Reforms Bill with our proposal, approved by the Sandinist Assembly in November 1993.

5. To reject the proposal by the National Directorate and the Sandinist legislative bloc to submit the Constitutional Reforms Bill on Monday, 6 September, and order the National Directorate to secure a party and parliamentary consensus that will permit an expeditious approval and a majority vote, prior to submitting the bill.

6. To support the National Directorate in the effort to organize and conduct the necessary negotiations to achieve Sandinist objectives on the Constitutional Reforms and the Law on Property Stability.

7. To reaffirm the guidelines for the Constitutional Reforms already approved by the Sandinist Assembly in its main document of November 1993.

8. To direct the search for a maximum consensus on the reforms. This will mean that during parliamentary consultations, agreements with the various political, economic, and social forces, as well as with the state's branches, will be sought. The Sandinist legislative bloc and the FSLN National Directorate must work on this.

9. To reject remarks by government spokesmen who are predicting chaos as a result of such a Reforms Bill and to clearly stress that the decision to postpone the date for submitting such reforms must not foster personal ambitions.

10. To submit the Law on Property Stability in September and begin to look for a maximum consensus with the interlocutors. This is necessary to put an end to the property problem during this legislative period.

11. The Sandinist Assembly will establish the FSLN position on important aspects that, in the search for agreements, must be negotiated in order to get the Constitutional Reforms and the Law on Property Stability passed.

Issued in Managua on 4 September 1994.

Panama

Mexico's Salinas Meets President, Leaves for Rio Summit

PA0809235094 Panama City ACAN in Spanish 2117 GMT 8 Sep 94

[Text] Panama, 8 Sep (ACAN - EFE)—Mexican President Carlos Salinas de Gortari left today for Brazil to attend the Rio Group summit, after a 5-hour visit to Panama, where he met with new Panamanian President Ernesto Perez Balladares.

During his brief stay, the Mexican chief of state exchanged awards with Perez Balladares, signed an agreement of mutual understanding on computer technology and communications, and discussed bilateral topics and ways to improve relations between the two countries.

Salinas de Gortari, who expressed his wish to increase ties with the new Panamanian Government, was seen off at Tocumen International Airport by Perez Balladares and several ministers.

Diplomatic relations between Mexico and Panama had dropped to their lowest level for over three years in the wake of the U.S. invasion on 20 December 1989, which ousted former General Manuel Antonio Noriega and brought former President Guillermo Endara to power.

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Argentina

Foreign Minister Discusses U.S. Embargo on Cuba

PY0809164194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1347 GMT 8 Sep 94

[Text] Buenos Aires, 8 Sep (NA)—Foreign Minister Guido Di Tella admitted today that the Argentine Government "is studying" the possibility of receiving Cuban citizens who want to emigrate from the island.

Other sources have indicated that it is a possibility that Argentina will submit this proposal to the Rio Group meeting that is to be held in Brazil.

In brief remarks he made at Government House before meeting with President Carlos Menem, the minister said that the U.S. embargo "is completely useless."

"The tightening of the screws as represented by the Torricelli amendment is an additional blunder, and is to (Fidel) Castro's advantage as he uses the U.S. embargo as an explanation for all the bad things that are happening to the island," Di Tella said.

Government sources have indicated that Menem could possibly announce to the Rio Group on 9 September that Argentina is evaluating the possibility of receiving Cuban families.

The sources reported that the measure will be adopted to demonstrate "American solidarity" as Cuba is not in a position to continue to withstand the U.S. embargo.

Di Tella also stated that the Rio Group summit will debate matters linked to the hemispheric summit to be held in December in Miami.

Integration processes will be encouraged, and a major advance "in larger integration processes" will also be promoted.

He said that "aspects will be introduced to promote a real integration, because it will not come about if infrastructure and communications work and other necessary aspects to really connect countries are not implemented."

President Menem Leaves for Rio Group Summit

PY0909033294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2213 GMT 8 Sep 94

[Text] Buenos Aires, 8 Sep (NA)—This afternoon, President Carlos Menem traveled to Rio de Janeiro, where he will take part in the eighth summit of Rio Group heads of state and government together with 14 [number as received] other rulers from the hemisphere on 9-10 September.

Menem arrived at the Aeroparque Air Force base aboard a helicopter that took him there from the Olivos presidential residence. Shortly afterward, at 1815, he boarded Tango-1, the presidential plane, without making any statement to the reporters waiting there.

The president will stay at the Gloria Hotel, where the other heads of state and government attending the summit will also be staying.

The summit will last until midday on 10 September, when the final conclusions included in the Rio Declaration will be disclosed.

Menem is scheduled to depart for Buenos Aires at 1300 on 10 September and will arrive here at 1600.

New Buenos Aires City Mayor Dominguez Sworn In

PY0809015094 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1526 GMT 5 Sep 94

[Text] Buenos Aires, 5 Sep (NA) — Jorge Dominguez, an economist and member of the Justicialist Party, was sworn in at noon today as the new mayor of the city of Buenos Aires. He replaces Saul Bouer, who resigned and will take over as the head of the Yacyreta Hydroelectric Binational.

Dominguez took his oath before President Carlos Menem in a well-attended ceremony that was held in the White Room of Government House, which turned out to be too small due to the number of guests.

Former Colonel Seineldin Inspires New Party

PY0709173094 Buenos Aires CLARIN in Spanish 4 Sep 94 p 8

[Article by Rafael Moran]

[Text] Mendoza—Former Colonel Mohamed Ali Seineldin, who is serving life imprisonment for sedition, is the inspiration behind a new political party that hopes to be established in eight provinces for the 1995 elections.

Leaders of this new group, which has still not gained legal status, said they want to begin a Restoration Movement [Movimiento Restaurador] with the goal of establishing a national force.

Colonel Jorge Cabrera, retired, a regional representative for the Movement for Ibero-American and National Identity (MINEII), told CLARIN: "This enterprise is being established without any support from the large power factors and, of course, it lacks the huge cash flow available to most political parties." Seineldin is the MINEII ideologist.

Cabrera is one of the "33 Orientales," a group of officers who were sent into retirement for criticizing the military regime in December 1980, following the appointment of General Leopoldo Galtieri as Army chief of staff.

The retired colonel pointed out that, even though the MINEII has been established in the entire country, the Restoration Movement is seeking legal status in the

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provinces of Mendoza, La Rioja, San Juan, Buenos Aires, Cordoba, Tucuman, Rosario, and Jujuy.

Cabrera emphasized: "It will be a nationalist alternative to the majority parties that are of a national origin like Peronism and the UCR [Radical Civic Union] and the MODIN [Movement for Dignity and Independence] following [retired Colonel Aldo] Rico's alliance with Menemism."

The Restoration Movement project involves reaching alliances with other groups, including the Integration and Development Movement (MID), the Constitutional Nationalist Party, and others who might drop out of Justicialism—like Cabrera himself.

Efforts are now being made to achieve the guarantees required by the electoral law. A membership mechanism will later be implemented to gain legal status.

The program's initial phase will be completed with the launching of the gubernatorial tickets, and legislator and mayoral candidates.

The Restoration Movement does not want to confuse the MINEII with the Restoration Movement. They exclude Seineldin from any possible political activity (he may also not carry it out legally), but recognize him as the leader who might be followed by "people in our country who cannot materialize their political aspirations."

Cabrera said candidates must have unavoidable virtues: "High morality and sense of honor."

It seems obvious there will be a relationship between the two movements, even though the Restoration Movement prefers to present the MINEII as a sort of ruling superstructure to "safeguard the party's national principles."

Bolivia

President Leaves for Rio Group Summit

PY0909034394 La Paz Television Nacional Network in Spanish 0100 GMT 9 Sep 94

[Excerpt] There was a transfer of power again today. President Gonzalo Sanchez de Lozada left for Rio de Janeiro to attend the Rio Group summit. After the transfer of power ceremony, President Sanchez de Lozada talked briefly with reporters about various issues. One of them, perhaps the most important, was about his upcoming meeting with Chilean President Eduardo Frei. He said the sea claim will not be discussed. [passage omitted]

COB, Government Initiate Dialogue in Cochabamba

PY0809233094 La Paz Television Nacional Network in Spanish 0100 GMT 8 Sep 94

[Report from Cochabamba by Leni Rebollo]

[Text] Reports from Cochabamba state that the COB [Bolivian Labor Federation] and the government have resumed negotiations.

[Begin recording] [Reporter Leni Rebollo] The dialogue and the intense negotiations between the COB and the government that started today constitute an important progress in the conflictive situation Bolivia is experiencing regarding labor and the problems of coca growers.

Although both COB Leader Oscar Salas and Labor Minister Reynaldo Peters have reasserted their willingness to resume dialogue as a negotiating tool, there are still some controversial issues to be ironed out.

[Peters] In this particular case, labor jurisdiction does not apply, because Evo Morales [Special Federation of Peasant Workers of the Tropics executive secretary] has been charged with crimes that do not deal with union activity. The organization of a paramilitary force is not part of the responsibilities of a union leader.

[Salas in progress...] We have made some decisions regarding the continuation and mobilization of fellow workers. As everyone is aware, the coca workers and peasant march continues....

[Rebollo] While Peters speaks of a dialogue without pressure, and Salas of a dialogue without prerequisites, the single negotiating commission established to this effect is scheduled to meet on Friday at Government House. [end recording]

Finance Ministry Outlines 1993-94 Accomplishments

94SM0454A La Paz HOY in Spanish 7 Aug 94 p 16

[Text] The performance of the Finance Ministry's departments was uneven, because while some produced achievements, others accomplished little, according to data contained in the report "Year of Sowing 1993-94."

Included among the Secretariat of Finance's accomplishments for the year were disbursements of $275.3 million, 70 percent of which were made during 1993 and 30 percent in the first seven months of 1994.

The report also speaks of the reformulation of the 1993 National General Budget and the preparation of the 1994 budget, in addition to enrollments in the Unified Registry of Public Servants.

External funds committed by financial assistance agencies and organizations totaled $578 million. Since August 1993, Bolivia drew down $378,329,300, between loans and grants.

The ministry completed the SOCOIN [expansion not given] project, financed by the GTZ [expansion not given], having already installed the computerized package Budget and Accounting System.

The ministry authorized 26 Ritex [expansion not given] programs, the value of imports reaching $61,940,671,

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and $82,433,389 in exports. "These programs created 2,036 jobs directly and 2,252 jobs indirectly."

The process of issuing new identity cards as part of the Unified National Taxpayer Registry (RUC) was begun in January. The ministry took over the maintenance and development of the System of Customs Warehouses (SARA) as of August 1993.

Collections of customs' fees during the first five months of 1994 totaled 142.3 million bolivianos, leaving a surplus of 1.5 million bolivianos.

National Secretariat for Energy

Electric power generated in 1993 was 2,549.1 GWh (Ende [National Electricity Enterprise] 63.2 percent and Cobee [Bolivian Electric Power Company] 34.8 percent). Installed generating capacity reached 756 megawatts (Ende 61.9 percent and Cobee 18.8 percent).

Installation of a turbogenerator in Sucre, expansion of the station at La Tablada, rural electrification in Larecaja, and expansion of the substations in Valle Hermoso and Vinto were initiated and completed.

YPFB [Bolivian Government Oil Deposits] had net profits of $215 million and contributed $351 million to the production departments of TGN [expansion not given], of which $32 million were in royalties.

The production of petroleum, distillations and gasoline grew by 16 percent in 10 months. Natural gas production was 563 million cubic feet.

As of June, 17 foreign firms and four Bolivian firms were operating in Bolivia under petroleum agreements.

The Carasco-Caranda oil pipeline was laid in 60 days. The capacity of the Palmasola refinery was increased to 20,000 barrels a day.

Sales on the domestic market increased to 26,816 barrels a day, for revenues of $467 million. Exports generated revenues of $96 million in 1994.

A new contract was signed for the export of natural gas to Argentina over a three-year period.

Secretariat for Mining

The smelter at Vinto produced 18,500 metric tons of tin, an increase of 25 percent over the previous period, for sales of approximately $75 million, operating profits of 33.6 million bolivianos and book profits of 19.5 million bolivianos.

The smelting of antimony was also successfully reactivated. Current production of antimony trioxide is 4,000 metric tons.

Secretariat for Transport

According to the Finance Ministry report, productivity improved notably in ENFE [National Railroad Enterprises], reaching its highest level during 1994's first semester, and the frequency of late train arrivals decreased by 30 percent compared with the previous year.

Road maintenance projects were continued, such as the repair of the accesses to the Chimore-Yapacani highway and the sections Tumupasa-Ixiamas, Panamerican Highway-Santa Ana, Cochabamba-Quillacollo, Concepcion-San Ignacio and Sabaya-Pisiga.

In addition, the Second National Maintenance Program was begun, which includes the improvement of 781 kilometers of paved highway and 765 kilometers of graveled highway.

Secretariat for Industry

This state agency participated in the preparation of Bolivia's position at the GATT, obtaining the approval of the Agreement on the Creation of the World Trade Organization in Marrakesh in March of this year.

Agreements on Economic Complementation were signed with Brazil and Paraguay. An Economic Complementation Agreement was renegotiated with Uruguay. Another such agreement was negotiated with Mexico and an existing agreement with Peru was expanded.

Bolivia won the right to participate as an observer in all of Mercosur's working groups and inclusion in the list of countries eligible to enter NAFTA [North American Free Trade Agreement].

Secretariat for Agriculture

A grant of 1,880 tons of flour, equal to 37,600 bags, was agreed upon for Bolivia, and it was to be evaluated and administered by Difem [expansion not given].

Secretariat for Tourism

In order to develop new tours to satisfy the increasing international demand, the inventory of more than 1,300 tourist attractions in Bolivia was updated. Regional Tourism Committees were created in each department of the country, with the participation of all of the departmental institutions.

Human Rights Abuses Seen in President's 1st Year

94SM0454B La Paz HOY in Spanish 8 Aug 94 p 2

[Text] Two deaths in confrontations with the police; the arbitrary arrest of a newspaper woman, accused of terrorism; spying on and following opposition members of Congress and journalists; the use of torture and other abuses as a way of making prisoners "talk"; the fearsome "security houses"; and violations of numerous constitutional guarantees and rights in the fight against drugs, which above all punishes the coca producers, all of which produces for the Gonzalo Sanchez de Lozada administration a negative balance for the year in an area—

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respect for human rights—that has been ignored, according to the Bolivian Permanent Human Rights Assembly (APDHB).

Hilarion Mamani, a campesino from Potosi, lost his life to a bullet in a confrontation with the police when, together with his community, he blocked an interdepartmental road, following instructions from Bolivia's most important labor organization.

When his death became known, the police and the government hastened to declare that he was a victim of some impatient, armed passenger on one of the many buses delayed by the blockage, "provoked" by the campesinos, who were "completely drunk."

Almost three months later, and also in a confrontation with the police, a bullet killed Flora Apaza de Tuco, in Avaroa, a village in La Paz's Province of Pacajes, when Avaroa and other communities protested with roadblocks and demonstrations against the presence in their territories of a cargo of mineral concentrates, allegedly toxic.

As is usual in these cases, the police spoke up to defend themselves, saying that the shot did not come from one of their people taking part in the confrontation, that those manning the roadblock were drunk as well as armed, and that above all it was a village of "smugglers."

The Debit Side

These two deaths are debit figures for the Gonzalo Sanchez de Lozada administration's first year of government, which is guilty, according to the APDHB, of granting immunity to those who cut short two lives and of relying on repression rather than dialogue.

"The coercive agencies of the state, in the most complete impunity, have continued to violate individual and civil rights, unjustified arrests continue, as well as abuse of power and authority, protected by the cloak of impunity," said the president of the APDHB, Waldo Albarracin.

"The human rights situation in the country has not changed at all in the past year, because there has been no action by the state to find or create mechanisms that might resolve this problem," Albarracin added.

"If the government is not the perpetrator, then it is the accomplice," the president of the APDHB charged, "because it has an obligation to end impunity (in this situation, impunity is a constant condition in Bolivia) and to shed light on murders and torture, but instead impunity has continued to be the practice of this regime."

The Bad News

There were also serious accusations during the year that Sanchez de Lozada took office, some of them still not cleared up, such as spying on and following members of Congress from opposition and government parties, and certain troublesome journalists.

The arrest of Judith Munoz, a newspaper woman accused of terrorism and a victim of abuse and psychological torture, was coerced by these methods to divulge the names of her alleged accomplices, all of whom were journalists.

"We have a situation where wrongful arrests were repeatedly sent to the courts for prosecution, which in practice means using the judicial system as an instrument of political repression," said Albarracin.

The APDHB has been able to establish the violation of at least 14 constitutional guarantees by antidrug police during the operation New Dawn, conducted in the Chapare, Cochabamba.

The Untouchables

Albarracin also spoke of the existence of political police investigative agencies as a clear example of the lack of the government's will to end dictatorial practices "that are being continued in a democracy."

"Only under a dictatorship did these organizations have any reason to exist. Nevertheless, the Ministry of Government is maintaining them intact. A specific example is the Special Center for Police Investigations (CEIP)," Albarracin said, "the equivalent of the now abolished Political Operations Directorate (DOP) or of the Special Security Service (SES)."

"The CEIP continues to practice torture and abuse, force continues to be used in interrogations, with one aggravating circumstance, the presence of foreign representatives," Albarracin said, indicating that this police intelligence agency continues to conduct "quasi-official" investigations of several opposition members of Congress.

This and previous governments have attempted to evade their responsibility for the CEIP's illegal activities, which have been challenged and denounced throughout the year.

Nevertheless, Albarracin pointed out, organically the police comes under the Ministry of Government and, legally, "the government is required to regulate it."

"I do not know if the government is authorizing torture, abuse, and wrongful detention, but as long as it permits the worst abuses, the government is an accomplice," he said, and charged that the composition of the intelligence agencies is wholly criminal, as their personnel are recruited from the worst elements of the crime world.

Violations of Social Rights

In addition to violations of individual rights and guarantees, the president of the APDHB said that, during its first year, the government of Sanchez de Lozada also attacked collective guarantees and rights.

"The socioeconomic problems of the people of Bolivia have not been resolved, and there is no sign that they will

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be. Therefore, the problems of social security, unemployment, health care, infant mortality, and malnutrition continue to be clear examples of violations of the most important collective rights."

Popular Participation Secretary Explains Changes

94SM0454C La Paz PRESENCIA in Spanish 6 Aug 94 p 2

[Text] The existence of 296 autonomous municipal governments and about 20,000 legally recognized Basic Territorial Organizations (OTB's)—which will be able to meet and discuss their own development plans—constitutes a radical change in Bolivia's political, economic, and social situation. According to the National Secretary for Popular Participation, Doctor Carlos Hugo Molina, this change lies in the fact that no longer are the national and departmental capitals the principal actors, but rather the municipal governments will be the protagonists of their futures. Within this framework, the social response that is being formulated confirms the great importance of the role they are called upon to play.

"This is fundamental. Before the Law of Participation, the centers for discussion and for the administration of resources were the capitals of departments, by means of the corporations. If one adds to that the 15 provincial capitals that had the capacity for administrative management, we are talking about 24 intelligent centers thinking about solving problems or disputes and planning for development," Molina explained.

Now, he said, we are talking about 296 locations in which people are beginning to gather to decide what to do about their development and their resources. "This is the challenge and the greatest opportunity for change, from a political point of view."

Parties at Law

One of the changes that has aroused the greatest interest and acceptance is undoubtedly the regulatory decree of the Law of Popular Participation, that grants legal capacity to the OTB's, which gives them the opportunity to become parties at law in every sense; that is, they can be owners by right, sign contracts, and separate or acquire property in the name of the community.

This provision grants legal capacity to the 12,000 rural and Indian organizations and to 8,000 in agriculture, which are now able to assume the responsibility for their own development.

"It is an important step forward because, from the point of view of legal procedure, prior to the Law of Popular Participation, a transaction involving legal capacity would take at least a year and cost about $2,000. Since the law was adopted, the procedure can be conducted in the place of its jurisdiction, in provinces, and costs nothing. Therefore, the opportunity for legally recognized representation has been granted to all Indian, peasant, and rural organizations."

Transfer and Responsibility

The responsibility involved in administering the infrastructure of the education, health care, small irrigation projects, sports, and cultural services was one of the first objections raised by the municipal governments, intimidated by a task that, from any point of view, was seen as burdensome.

However, Molina believes that only the municipalities of La Paz, El Alto, Santa Cruz, Cochabamba, and Sucre are worried about the transfer of infrastructure. "It was not a generalized problem at first, but there was an understandable concern, because the amount of infrastructure that is going to be transferred to them have made them realize their lack of capability to administer it."

However, Molina said that with technical training and coordination between the municipal governments and the secretariats of each sector, management problems will be resolved by means of transfer agreements, especially in health care, the most complex of all the sectors to be transferred.

Concern over lack of resources, according to Molina, is due more to anticipated fears than to real conviction.

Evidently, the legitimate concern of city administrations was to know exactly what the administration of infrastructure signified. But, to think that just by taking charge of infrastructure one must resolve all the problems immediately is a chimera," Molina said.

Like all change, the responsibilities granted by Popular Participation to the municipalities will be assumed gradually, until the municipalities realize that this is a practical mechanism that will relate positively to the community that they are administering.

Population and Territory

Another of the fundamental changes that makes the Law of Popular Participation relevant to Bolivia's social, political, and economic situation is the treatment of territories and boundaries.

According to Doctor Molina, this is a subject in which reality requires that complicated problems be confronted.

"The issue of boundaries was dealt with previously without the necessary serious thought, provincial sections appeared in the Constitution only as a division of territory, but they were not described in maps." Now provisional maps have been drawn up that establish territorial divisions based on the section. It has frequently been obvious that the law was not sufficiently clear in showing where the boundaries were located, and this has given rise to criticism, complaints, and requests for corrections from the people, who ask to be taken into account.

In order to create viable territorial borders and to resolve conflicts that the change will produce, the government

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formed the Inter-Institutional Boundaries Commission, which is responsible for preparing and submitting the proposed law on new territorial boundaries to the executive branch.

"We are discovering that many territorial problems have been brushed aside, and we are taking the first steps to resolve the problems that keep coming up."

For distribution of resources through coparticipatory taxation, the law determines the situation of each provincial section, based on information from the 1992 National Census of Population and Housing.

Although the statistical information in the census is not completely accurate because many sectors were not included (due to a veto by the Bolivian Labor Federation), the participation process cannot alter the number of inhabitants, because this would destabilize the existing program.

"The data from the National Statistics Institute cannot be altered, because increasing or decreasing resources for a community based on a different number of inhabitants will necessarily affect other communities," said Molina.

On this subject, the law provides for the conduct of a survey in 1996 to measure changes produced by migration and population growth or decline.

"The process on which we are embarked requires avoiding difficulties along the road. We are constantly acquiring the tools to resolve, in a practical way, the problems that arise," Molina stated.

Doctor Molina admits, however, that his is an executive branch response, while Popular Participation has as its protagonist the municipal governments, which are autonomous, and the peasant and Indian communities, and rural organizations, which are very independent.

"The initiative, therefore, is no longer with the executive branch. This is another of the radical changes of Popular Participation. The process of reform, transformation, and change is no longer a responsibility of the executive. The frame of reference has been changed and the responsibility is now with the peasant communities, social organizations, and municipal governments," Molina stressed.

Brazil

Government Proposes Lower Domestic Coffee Prices

PY0909040194 Sao Paulo FOLHA DE SAO PAULO in Portuguese 7 Sep 94 Section 2 p 8

[Text] Frederico Robalinho, commerce policy secretary from the Commerce, Industry, and Tourism Ministry, yesterday said he has sent the Finance Ministry a proposal to lower coffee prices in the domestic market.

The Export Market Supply Program [Programa de Abastecimento do Mercado Vinculado a Exportacao], Proamex, is an alternative to the auctions of the government coffee regulating stocks, Robalinho said.

Companies involved in coffee roasting yesterday expressed their opposition to the measure. They allege that with this measure the ministry will protect exporters' interests.

The Proamex involves forcing exporters to sell in the domestic market half of the volume of product meant for other countries.

The coffee roasters allege that the measure will be useless because most of the 1994 coffee export registers have already been processed. Robalinho yesterday said he has no information about the coffee shipment registries.

According to Robalinho, if the Proamex measure is approved, the supply of coffee in the domestic market must increase, thus helping to lower the price of coffee sacks, which currently stand at 140 reals (R) each, by up to 35 percent. The companies involved in coffee roasting assert that the effect will be the opposite.

Cardoso Popularity Unaffected by Ricupero Affair

PY0809220594 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Sep 94 p A5

[Excerpts] A poll conducted on 5 September by InformEstado in Sao Paulo shows that the incident that caused former Minister Rubens Ricupero's fall has not changed the preference of 86 percent of those polled for the Brazilian Social Democracy Party presidential candidate, Fernando Henrique Cardoso. Among those who had already decided to vote for Cardoso, only 3 percent said that they had changed their opinion, while 11 percent said they still have not decided, and would rather wait a little longer before making up their minds. [passage omitted]

The InformEstado team conducted 356 phone interviews for this poll. Voters of both sexes from 18 to 65 years of age were interviewed, all of them living in the city of Sao Paulo. [passage omitted]

Latest Poll Shows Cardoso Leads With 43 Percent

PY0909020394 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 8 Sep 94

[Text] Let us now look at the latest IBOPE [Brazilian Public Opinion and Statistics Institute] figures on the presidential race:

If the election were held today, PSDB [Brazilian Social Democracy Party] candidate Fernando Henrique Cardoso would be in first place with 43 percent of the votes, PT [Workers Party] candidate Luiz Inacio Lula da Silva would be second with 23 percent, PMDB [Brazilian Democratic Movement Party] candidate Orestes

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Quercia would be third with 5 percent, PDT [Democratic Labor Party] candidate Leonel Brizola and PRONA [Party for the Redefinition of National Order] candidate Eneas Carneiro would tie for fourth place with 4 percent, PPR [Progressive Renewal Party] candidate Esperidiao Amin would be fifth with 2 percent, and blank or voided ballots and undecided voters would total 19 percent. Social Christian Party candidate Fortuna did not obtain votes in the survey. The registration of Carlos Gomes, the new candidate of the National Reconstruction Party, was not approved by the electoral court until after the start of the survey.

IBOPE also conducted a simulated vote for a possible runoff election. Herewith the figures: If the runoff were held today, PT candidate Lula would obtain 30 percent, PSDB candidate Cardoso would be elected president with 56 percent of the votes, and blank or voided ballots and undecided voters would total 14 percent.

Let us now watch the performance of the five top candidates in the latest surveys: In June, PRONA candidate Carneiro had 2 percent; in July, he first climbed to 3 percent and then slipped back to 2 percent; in August, he again climbed to 3 percent and then to 4 percent; and he has now maintained the same percentage.

Brizola had 8 percent in June, he dropped to 6 percent in July, he dropped to 5 percent in August, and he has lost another point now because he currently has 4 percent.

Quercia had 6 percent in June, he dropped to 4 percent in July, in early August he climbed to 3 percent and later to 5 percent, and he has now maintained the same percentage: 5 percent.

Lula had 39 percent in June, he dropped by nine percentage points in July, he lost another two points early in August and three more points later. By the end of August, he dropped to 23 percent. He has now maintained the same rate: 23 percent.

Cardoso had 17 percent in June, he climbed by 10 points in July, in early August he leaped to 32 percent, and immediately gained more points to reach 45 percent by the end of August. He has now lost two percentage points: He currently has 43 percent.

IBOPE surveyed 2,000 voters from 4 to 7 September.

New Finance Minister Interviewed on Policies

PY0809225394 Rio de Janeiro O GLOBO in Portuguese 7 Sep 94 p 3

[Interview with Finance Minister-designate Ciro Gomes by reporter Regina Alvarez in Fortaleza; no date given]

[Text] [Alvarez] What are the main measures you are planning to adopt as soon as you are inaugurated?

[Gomes] I am going to adopt one single measure; that is, to give assurances to every Brazilian worker that the Real Plan will be maintained in its entirety, because of its own merits and because it belongs to the people.

[Alvarez] What did you think of the drop observed in stock markets on 5 September?

[Gomes] I do not attach significance to these things. Yesterday I asked my advisers to evaluate them. They told me that these drops were not important. It was an absolutely speculative, meaningless move. (Central Bank President Pedro) Malan and the Finance Ministry executive secretary (Clovis Carvalho) today told me that that trend had already been reversed.

[Alvarez] What did you mean when you said that "four blows" would be sufficient for ending inflation?

[Gomes] The four blows will consist of respect for the Real Plan, support for the Real Plan, strengthening of the Real Plan, and confidence in the Real Plan.

[Alvarez] Are you going to adopt tough measures to deter consumption?

[Gomes] I already said that the Real Plan is going very well. Yesterday, fortune was on my side again, because as my appointment was being announced the Economic Research Institute Foundation [FIPE] reported that the inflation rate in reals, already free from the inflationary effects of the cruzeiro real, stood at 1.95 percent. This was the real inflation rate in August, and the people are feeling this on the streets.

[Alvarez] Do you find it necessary to encourage imports?

[Gomes] We believe things are going well, but we are aware that we cannot loosen our grip. If consumption increases, we know what to do. Among other things, we are planning to increase the supply of products.

[Alvarez] Are you planning to interfere with the market to change the dollar exchange rate?

[Gomes] The exchange policy will be maintained as is.

[Alvarez] Don't you think you will have your hands tied as finance minister for having inherited a plan and a team that you will manage and lead for only four months?

[Gomes] I have received a very clear mission: To carry on the Real Plan.

[Alvarez] President Franco has suspended part of the privatization process. Do you think you will be able to take action on the process?

[Gomes] I am convinced I will be able to take action on the program. The president told me he is not prejudiced against modernizing the state by privatizing certain sectors. Neither he nor I advocate privatization per se, because that would be ludicrous. A privatization process should be rational, intelligent. President Franco wants the process to be serious, unblemished, without the slightest trace of suspicion. Yet the privatization process

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will not stop. President Franco has privatized more state-owned companies than anyone else.

[Alvarez] Prior to your appointment, you said that the IPC-r [Consumer Price Index-real] should not be transferred to salaries....

[Gomes] The IPC-r was not part of the original plan. Rather, it was a concession granted during the negotiations with Congress to give assurances to some reluctant congressional sectors that the plan did not entail a shrinking or loss of salaries, or tampering with inflation. At that time, I was a citizen who could freely express his ideas both technically and politically. Today, as a member of a team, I must comply with what has been written, with the agreements that have been reached. The IPC-r is here to stay, and it will be implemented as outlined in the provisional measure regulating the real.

[Alvarez] What about transferring it to prices?

[Gomes] The IPC-r will be transferred to salaries only once, but it may not be transferred to prices because its effects can be absorbed over time.

[Alvarez] Businessmen have committed some abuses....

[Gomes] To say some abuses is an understatement. They have committed extremely serious abuses. Sensible Brazilian citizens may be aware of what has happened here. There are highly patriotic businessmen with great moral stature and great public spirit. Yet there are also businessmen, as well as politicians and public servants, who do not deserve anyone's respect. Who are they?

Those who evade taxes, who abusively mark up prices, or exploit their workers.

[Alvarez] What are you going to do to stop these abuses?

[Gomes] Whenever prices are abusively increased, you may rest assured that the government, myself, and the Finance Ministry will act bluntly and promptly. You just wait and we will prove it to you.

[Alvarez] Do you want to increase the minimum salary?

[Gomes] I could not seek an inconsistent goal. I never said anything to that effect to anybody. It would be good if the minimum salary were higher. Yet, as it is linked today to social security benefits, a minimum salary increase could cause the social security system to go bankrupt.

[Alvarez] Who do you regard as your enemies?

[Gomes] All those who are artificially increasing prices, speculators, and bad politicians are my enemies.

[Alvarez] Would it be possible to keep the utility rates frozen through the end of this government?

[Gomes] There is no reason for them to increase.

Finance Minister Gomes Speaks at Ceremony

PY0909013894 Sao Paulo AGENCIA ESTADO in Portuguese 1943 GMT 8 Sep 94

["Text" of speech by Finance Minister Ciro Gomes at his installation ceremony at the Central Bank auditorium in Brasilia on 8 September]

[Text] Although the period during which I will be serving as finance minister will be short, I can assure you that it will be intense. I will devote myself fully to managing the Real Plan during the four months remaining before the expiration of this government's term. President Itamar Franco entrusted this task to me when he offered me this post. It will be precisely my challenge to give continuity to the work of Minister Rubens Ricupero, who tirelessly and with great dedication defended the plan nationwide, always conveying a message of confidence in the new currency.

The first step has been taken. The real has paved the way to stability. Judging from the various price indexes, inflation is declining. We already have four different indexes that were completely free from the inflation generated during the time of the real cruzeiro. All these indexes are standing at below 2 percent monthly. This shows that the Brazilian people have adequately responded to the call for them to stand behind the plan. Yet, as Minister Ricupero usually says, this is just the very beginning.

It should be made quite clear that a stabilization program cannot be completed overnight. An arduous task is lying ahead of us, one that will require a great effort by the future government, irrespective of who wins the election, so that our country may achieve its ultimate objective of resuming economic growth with social justice and of creating jobs for a larger number of Brazilian citizens.

We are in the early stage of a process that has always been governed by caution and gradualism, and there is no reason for it to to change now. Anyone speculating that there will be economic packages or shock measures after the elections will be disappointed. There is only one plan. It is under way and it will certainly reach its objective without us having to depart from the clearly established original guidelines that stability can only be built step by step, stage by stage, without shocks, and without confiscations or freezes.

I would like to tell everyone that I will give continuity to the Real Plan by maintaining the team that conceived it and implemented it. I am going to safeguard the basics designed to guarantee monetary stability:

1. The exchange policy will be maintained essentially unchanged. The Central Bank will continue to move toward deregulation so that conditions may be created toward establishing a better balanced dollar exchange rate on the market.

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2. The monetary policy will continue to be closely and rigorously monitored to keep it within the limits established by the provisional measure regulating the real.

3. We will not allow the transfer of salary adjustments to prices. Indexation had been a major evil that fueled inflation. We cannot go back to the time when price increases served as bases for sparking inflation. All this only hurt the workers themselves.

4. We will remain alert to speculative movements in the area of prices, by always seeking a balance between supply and demand.

5. The government will not overlook the need to balance public accounts. Disbursements will be made on the basis of guaranteed revenues. We are not going to issue a single penny to cover budgeted expenses. National Treasury bonds will be issued only for the purpose of rescheduling the government's domestic public debt.

6. We will continue the privatization program in keeping with the objective of modernizing the Brazilian state. I want to reaffirm that privatization will be implemented without disregarding the need to ensure that high moral standards be observed in managing the process.

We regard with satisfaction the increase in consumption by low-income sectors because this is a result of a plan whose major objective—that of ensuring price stability to promote a higher income for all Brazilians—has been guided by the government of President Franco. We will be watching to make sure that this increase in consumption is kept within the limits required to take advantage of the unused capability of the industrial sector. We will not hesitate to promote imports whenever abusive prices would put monetary stability in jeopardy.

No serious threat is looming over the Real Plan. This plan is here to stay. We are aware, however, that the resumption of growth and the promotion of social justice will require additional measures, particularly a comprehensive constitutional reform. It is necessary for the state to regain its ability to formulate public policies and to release the productive energy of the private sector and of the Brazilian people so that we may together build a strong currency, and realize the just and dynamic society we all seek.

Finally, I want to ask God to enlighten me at this special moment in discharging my responsibility to ensure that the real remain a strong currency for many generations to come. In this endeavor, I count on the support of President Franco, to whom I convey my appreciation for his confidence, and on the talented economic team that has been devoted to implementing this plan from the beginning.

I count, above all, on the good will of the Brazilian people, who have responded so well to the change in our monetary currency. We must carry on in our struggle against inflation as a united bloc, with the ultimate goal of achieving success for Brazil. I publicly state that I will do my best in discharging my duties.

Chile

Frei Leaves for Rio Summit

PY0809224194 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 8 Sep 94

[Text] President Eduardo Frei this morning traveled to Brazil, where he will attend the Rio Group summmit. Frei said he still does not know whether he will meet with Peruvian President Alberto Fujimori.

[Begin recording] [Unidentified reporter] The traditional ceremony of transference of power was held at the Airport VIP room during which Interior Minister German Correa assumed the presidency of the nation.

The president will attend the Rio Group meeting to be held in Brazil. This will be the first time that President Frei has attended such a meeting.

Referring to an eventual meeting with Peruvian President Alberto Fujimori, Frei said:

[Frei] I do not know. The foreign minister is in Rio de Janeiro and he is reviewing the agenda of bilateral meetings with all presidents.

[Reporter] Would you like to meet with him in view of recent developments?

[Frei] Of course; it is always nice to do this.

[Reporter] The president also said that he will review with the Bolivian president a proposal submitted by the Chilean and Bolivian foreign ministries on the possible resumption of diplomatic ties. [end recording]

Kazakh Mining Official Seeks Technology Exports

PY0709172194 Santiago LA TERCERA DE LA HORA in Spanish 23 Aug 94 Economic Section p 3

[Excerpt] Mining Minister Benjamin Teplizky yesterday reported that Kazakhstan, a country formerly associated to the defunct Soviet Union (USSR), is interested in acquiring Chilean mining technology.

Teplizky said this after meeting with a Kazakh delegation headed by Mining Under Secretary Tugay Oleg Mihkhaylovich. The Chilean minister said Chile has offered the specialized services of Codelco [Copper Corporation], the Mining and Metallurgy Research Center [Centro de Investigacion de la Mineria y Metalurgia] (CIMM), and the National Geology and Mining Service [Servicio Nacional de Geologia y Mineria] (Sernageomin).

Teplizky noted that these government organizations will help the sale of mining technology and services to Kazakhstan, which lies south of the former USSR. Among the possible exports to Kazakhstan, the minister

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mentioned geological laboratory, exploration, and research technology. [passage omitted]

Colombia

One Dead in Incident at University of Tolima

PA0809200394 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 8 Sep 94

[From the "Midday Television Newscast"]

[Text] One student dead, three university students wounded, 11 soldiers hurt, and many arrested, is the result of last nights serious outbreak of violence at the University of Tolima. A Security Council meeting that lasted into the early hours of the morning ordered an in-depth investigation into this incident.

The confrontation began when soldiers came onto the campus while the students were protesting the increase in tuition, privatization of the university, and the defense of human rights. Shortly after this, rocks were hurled and tear gas and weapons fired on campus.

[Begin recording] [Unidentified reporter] What happened when the soldiers arrived?

[Unidentified speaker] They came in shooting. You can see the bullets they used. These are not blanks. They were shooting at the students' lungs. [end recording]

Even though the soldiers and the lieutenant who led the platoon deny firing on the students, once the confrontation ended, many shells were found. Some of the shells were empty and others unused.

[Begin Lieutenant Hernan Plata recording; identified by caption] The soldiers had no intention of firing. Their rifles were not loaded. The clips had been removed from the weapons. The shots were being fired from the campus. We could hear shots being fired from the campus. [end recording]

A person taken by the students is still being held hostage. The person's release is being conditioned on the return of students reported missing.

[Begin Lawyer Manuel Alberto Lasso recording; identified by caption] When we arrived on campus we asked about the students. The soldiers did not deny having detained them and said they were being handed over to the District Attorney's Office. At this moment there are six students being held at the District Attorney's Office. [end recording]

Despite the incident, the Academic Council of the University of Tolima has decided to keep the university open. But there is a chance that it may be closed.

Government Acts To Solve Security Problems

PA0809161594 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0130 GMT 4 Sep 94

[Report by Oscar Galvis from the "AM/PM" newscast; speakers are identified by caption]

[Text] A regional security council meeting was held on 3 September in Valledupar, with President Samper and top-ranking military officers in attendance. Increasing the fighting force by about 15,000 men, equipping military units with several helicopter gunships, creating at least two battalions and a mobile brigade, and reinforcing and redesigning Army intelligence work were among the measures adopted to tackle the security situation facing Cesar Department during this regional security council in Valledupar on 3 September.

[Begin recording] [Defense Minister Fernando Botero] Now, every increase in the fighting force must be accompanied by elements needed to ensure that this fighting force will be really effective in the struggle against subversion.

[Government Minister Horacio Serpa] The idea is to channel government action on two paths: the path to security and the path to economic conditions conducive to production. [end recording]

These regional security councils will be held in regions of Colombia facing serious public security problems.

Prosecutor Orders Police With Drug Ties Arrested

PA0709233694 Santa Fe de Bogota EL ESPECTADOR in Spanish 2 Sep 94 p 8A

[Text] The Regional Prosecutor's Office in Santa Fe de Bogota has issued preventive arrest warrants without bail against six officers, two noncommissioned officers, and 14 members of the Airport Police apprehended last month in an operation conducted by the Technical Investigation Group [CTI] of the Regional Prosecutor's Office at El Dorado International Airport in Santa Fe de Bogota.

The officers and noncommissioned officers who are in custody and under investigation for their alleged participation in drug trafficking are Colonel Leonel Mendoza Aguirre; Major Omar Diaz Santa; Lieutenants Henry Nunez Santos, Moises Nunez Villegas, and Luis Carlos Riano Yepes; Second Lieutenant Camilo Leon; and Corporals Sandra Rocio Acuna and Hernando Mosquera.

The warrants also include agents Elda Patricia Lopez, Samith Pineres Gomez, Carlos Julio Cardenas Cervantes, Doris Caicedo, Wilson Pena Rojas, Ligia Mendoza Rodriguez, Omar Alirio Reyes Parra, Roberto Rodriguez Contreras, Henry Marquez, Jesus Mosquera Moreno, Cesar German Quiroga, Jose Mauricio Silva, Milady Toledo Blanco, Rigoberto Martinez Gomez, Luis Enrique Segura, and Oliva Rodriguez Duran.

According to the results of the CTI investigation—which was officially released in early August—these persons made up a network that had been collaborating with drug traffickers for months to expedite the passage of "mules"

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carrying large quantities of drugs abroad through El Dorado International Airport.

The officers, noncommissioned officers, and policemen involved in this scandalous case were exposed by a CTI agent who managed to infiltrate the organization, which operated primarily out of El Dorado International Airport.

It should be pointed out that all persons implicated were suspended from the Santa Fe de Bogota Metropolitan Police Department, where they are undergoing a parallel disciplinary investigation supervised by General Luis Enrique Montenegro Rinco, director of the Police Department.

All of the suspects are currently under arrest at various police stations, but because of the arrest warrants issued against them, they will be transferred to a prison in Facatativa.

The arrest of these police officers is one of a number of steps taken by the Prosecutor General's Office and the National Police Directorate to try to control the corruption that was becoming endemic in department ranks.

These steps include the suspension and firing from the Police Department of a large number of police officers who served in Cali and are accused of having ties with the Valle del Cauca drug cartel.

The link between the police officers and the drug traffickers was discovered during a raid on a Cali company suspected of drug trafficking. During the search a list was discovered which included the names of these agents as the recipients of various sums of money.

Banrepublica Limits Government's Budget for 1995

PA0509023994 Santa Fe de Bogota EL ESPECTADOR in Spanish 31 Aug 94 p A-1

[Text] The Bank of the Republic [Banrepublica] has limited the central government's budget for 1995 and warned that it will be impossible to meet the goal of reducing inflation to 19 percent if it surpasses 16.9 billion pesos and that there will be more currency devaluations.

Meanwhile, the administration of President Ernesto Samper has announced it wants to adopt specific measures to comply with the promises made during the electoral campaign before establishing goals.

Congressional debates on the economic plan have been disappointing, except for the remarks by Senator Juan Camilo Restrepo.

The quality of the debates was so low and the questions to Finance Minister Guillermo Perry were so scarce that Banrepublica's board members stopped asking questions.

Banrepublica Assistant Director Roberto Junguito has said the minister's proposal in the sense that the inflation goal should be based on a social pact is mistaken. In addition, he has defended the independence of the Central Bank.

Oscar Marulanda, another assistant director, has asked Perry not to be afraid of a currency devaluation when it improves productivity.

Perry has said there will be austerity in public spending in the immediate future and painful cuts in order to be able to finance new social programs.

Senator Juan Camilo Restrepo has said it would be suicidal to call for a social pact without previously establishing an inflation goal as Perry has proposed.

He asked: Will the government make the same sacrifices it is demanding from the private sector?

Paraguay

President Wasmosy Departs for Rio Summit

PY0909033494 Asuncion RPC Television Network in Spanish 0000 GMT 9 Sep 94

[Text] Accompanied by a small retinue, President Juan Carlos Wasmosy departed for Rio de Janeiro this afternoon aboard a private plane to participate in the Rio Group meeting together with 12 other presidents. During this summit, the heads of state will draft the main points to be broached at the Miami summit, which will be held in December. Wasmosy will return to Asuncion on the afternoon of 10 September so as to be able to take part in the activities that have been scheduled for 11 September to celebrate the anniversary of the founding of the Colorado Party.

Peru

Fujimori Departs For Rio Summit

PY0809214894 Madrid EFE in Spanish 1758 GMT 8 Sep 94

[Text] Lima, 8 Sep (EFE)—Peruvian President Alberto Fujimori left today for Brazil to attend the Latin American Political Coordination Group (Rio Group) presidential summit to be held on 9 and 10 September in Rio de Janeiro.

Fujimori left at 1225 local time (1725 GMT) from the Group 8 military base located next to the Lima international airport aboard a Peruvian Air Force (FAP) plane.

Fujimori is traveling with his second oldest daughter, Marcela Sachi, who is 16 years old; Justice Minister Fernando Vega Santa Gadea; and Industry Ministry Liliana Canale.

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Presidential Press Secretary Cearlos Orellana and lower-ranking civilian and military officials are also included in the presidential entourage.

Foreign Minister Efrain Goldenberg recently reported that during the Rio Group summit, Peru will urge the group to adopt common positions in view of the upcoming summit of the Americas that has been summoned by U.S. President Bill Clinton, to be held in Miami in December.

According to Goldenberg, the Peruvian Government hopes the group will adopt common positions regarding extreme poverty, drug trafficking, terrorism, corruption, trade, and the promotion of investments in the region.

Norte Medio Red Path Committee Members Captured

PY0709172394 Madrid EFE in Spanish 1939 GMT 6 Sep 94

[Text] Lima, 6 Sep (EFE)—Official sources reported today that Peruvian security forces have detained 13 members of the Peruvian terrorist gang Red Path's Norte Medio committee that killed two Polish priests in 1992.

Among the subversives is attorney Ada Mautino, 36, the alleged Norte Medio committee chairperson. They were captured on the evening of 6 September during a simultaneous operation in the northern port of Huarmey and the central Andean city of Huaraz.

Commander Henry Maguina, the antiterrorist police chief of Ancash Department—where Huarmey and Huaraz are located—reported that the Norte Medio committee killed Polish priests Zbigniew Sprazgolway, 37, and Michel Rodak, 40, in the town of Pariacoto, Ancash Department, in 1992.

The Red Path continues the war started by the Shining Path in 1980. It split from the Shining Path last year in rejection of a decision by top Shining Path leader Abimael Guzman to seek a peace agreement with the government.

Venezuela

Appeal to GATT Possible on U.S. Ban on Gasoline

PA0809132194 Mexico City NOTIMEX in Spanish 2327 GMT 7 Sep 94

[Text] Caracas, 7 Sep (NOTIMEX)—The government announced today it would appeal before the GATT a possible ban by the U.S. Congress on Venezuela's high-octane gasoline.

Venezuela would appeal to the GATT to reject Washington's trade protectionism, which under the guise of protecting the environment would entail a loss to the country of approximately $357 million, Development Minister Alberto Poletto stated.

The EPA could implement an import plan for high-octane gasoline that seeks to bar the entry of polluting fuel into that country, according to official sources.

Poletto said that U.S. lawmakers do not seem to share the interest in barring the entry of high-octane gasoline from the U.S. market.

But Venezuelan Petroleum [PDVSA] officials reported that the U.S. Senate rejected the Venezuelan fuel, and the House of Representatives is not expected to think differently.

In the middle of last year, the EPA banned Venezuelan oil from entering the U.S. market because of its high content (22 percent) of a highly pollutant substance called oleofina.

Venezuelan brought the case to the GATT, arguing that its products were discriminated against, since the U.S. refiners will implement the provisions of the 1966 Clean Air Act.

Petrobras [Brazilian Petroleum Corporation], France's Total, Japan's Itoche, and Finland's Neste Oil joined the Venezuelan complaint.

The Venezuelan minister said that there have been "positive" contacts with the Clinton administration to prevent a unilateral decision that could harm reformulated gasoline imports from Venezuela.

Poletto emphasized that "this opens new possibilities for the decision on a request to penalize Venezuelan fuels to favor this South American country. If this does not work, an appeal will be filed with the highest world trade authority."

He affirmed that "we will immediately petition a GATT panel to issue a ruling within six months, which would most probably favor Venezuela."

The minister underscored that the debate over reformulated gasolines available on the U.S. market responds to commercial interests more than to environmental concerns.

The U.S. Congress decision could come on 12 or 13 September. After that, he said, the Caldera administration will announce its measures based on that decision.

PDVSA, through Citgo Petroleum Corporation, sold 56,000 barrels of fuel per day in the United States during 1993. This is a 9.4 percent increase over the previous year.

Citgo has 12,500 service stations where it sells the 56,000 barrels per day. Citgo has the highest number of outlets in U.S. territory.

The price of fuels sold by Venezuela's parastatal enterprises is $17.50 per barrel. A U.S. veto would mean $357 million in losses for Venezuela during 1994.

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Escovar Acting President; Caldera At Rio Summit

PA0709042694 Caracas Union Radio Network in Spanish 2200 GMT 6 Sep 94

[Report by Cecilia Pachano; from the "Union Radio News" newscast]

[Text] At a noon ceremony today and in the presence of the cabinet and members of the military high command, Ramon Escovar Salom was sworn in as acting president of the Republic in the president's temporary absence.

President Rafael Caldera left for Brasilia at 1300 to attend the Brazilian independence celebrations as a special guest of President Itamar Franco. Caldera will later attend the eighth summit of the Rio Group, which will again be held in Rio de Janeiro.

During his stay in Brazil, President Caldera is scheduled to meet with the two main presidential candidates of the giant to the south; specifically, Fernando Henrique Cardoso and Luiz Inacio Lula da Silva.

The main topic of discussion between the president and Itamar Franco, his Brazilian counterpart, and presidential candidates in that country is the issue of energy, particularly the sale of energy to our neighbor in the form of petroleum and [word indistinct] electricity.

Before leaving, the president received in Miraflores Palace the newly elected Miss Venezuela and two of the finalists in this event.

Roundup of Economic Developments

PA0609232994

[Editorial Report] The following is a compilation of reports on economic developments monitored through 6 September.

The Finance Ministry collected approximately 47.3 million bolivares from the Banking Debit Tax while it was implemented from 9 May to 22 August. The funds are being used to reduce the fiscal deficit. (Caracas EL GLOBO in Spanish 3 Sep 94 p 10)

The LAGOVEN Refinery (a subsidiary of Venezuelan Petroleum, Inc., PETROVEN), parent company of Amuay Refinery, reported that during the first six months of the year Amuay processed crude at the lowest price internationally compared to similar refineries. This positive economic result is being attributed to operational and managerial improvements at this refinery in Falcon State. (Caracas EL GLOBO in Spanish 3 Sep 94 p 2-7)

The Central Statistics and Data Processing Office reported that unemployment for the first six months of the year was 9.1 percent. In 1993, the unemployment rate for same period was 6 percent. The formal economy generated 58.2 percent of the available jobs, while the underground economy generated 41.8 percent. (Caracas Union Radio Network in Spanish 2200 GMT 2 Sep 94)

Abdon Vivas Teran, Venezuelan ambassador to Colombia, reported that trade between these two nations has tripled in the past three years. Trade figures for 1993 totaled $1.6 billion, and the balance was in Venezuela's favor. Venezuela is Colombia's second largest trading partner after the United States, while Colombia is Venezuela's second largest partner, also after the United States. (Caracas REPORTE DE LA ECONOMIA in Spanish 31 Aug 94 p 5)

The Exchange Administration Board reported that international reserves are on the rise and are currently at $10 billion. The reserves have recovered $1.6 billion since the exchange control was implemented. (Caracas ECONOMIA HOY in Spanish 31 Aug 94 p 3)

CORPOVEN (a subsidiary of PETROVEN) surpassed by 10 billion bolivares the goal set for revenues for the first six months of the year. Revenues totalled 228 billion bolivares. Exports reached 687,000 barrels per day (bpd), exceeding scheduled amounts by 8,000 bpd. Corpoven also surpassed its level of production by 53,000 bpd, producing 760,000 bpd, 676,000 of which were heavy and light/medium crude. The remainder was natural gas. (Caracas EL NACIONAL in Spanish 2 Sep 94 p E-9)

The Venezuelan transportation and communications minister announced that Venezuela and Colombia signed a cooperation agreement to foster trade exchange in the telecommunications sector. This agreement strengthens the integration process between both nations, whose markets must develop through creativity and free competition. (Caracas ECONOMIA HOY in Spanish 2 Sep 94 p 22)

The Energy and Mines Ministry reported today that the price of Venezuelan petroleum for export continues to fall and is currently at $13.34 per barrel. The ministry added, however, that there are signs of stabilization despite falling prices, as the average price so far this year is $13.23 per barrel, $1.73 higher than estimated for 1994. (Mexico City NOTIMEX in Spanish 2107 GMT 3 Sep 94)

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